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Decree on Payment, Credit Relations Among Former USSR Republics

935D0191B Moscow *EKONOMIKA I ZHIZN*
in Russian No 39, Sep 92 Insert p 6

["Decree of the Government of the Russian Federation of 3 September 1992, No. 658, Moscow: On Payment-Accounting and Monetary-Credit Relations With Former USSR Republics"]

[Text] In order to regulate payment-accounting and monetary-credit relations between Russia and states of the ruble zone, to stabilize monetary circulation on the basis of the use of the ruble, and to provide conditions for introducing its convertibility and in keeping with the agreement signed in Tashkent on 15 May 1992 on measures for improving accounts among economic organizations of countries of the Commonwealth of Independent States, the Government of the Russian Federation decrees:

1. To assign to the State Committee of the Russian Federation for Economic Cooperation With Members of the Commonwealth the tasks of coordinating the actions of the ministries and departments of Russia in preparing draft agreements with states that are retaining the ruble as the legal means of payment, and developing a mechanism for the further functioning of a unified monetary system and the corresponding methods of implementing a coordinated monetary-credit policy.

2. The State Committee of the Russian Federation for Economic Cooperation With Members of the Commonwealth, the Ministry of Foreign Economic Relations of the Russian Federation, the Ministry of the Economy of the Russian Federation, and the Ministry of Finance of the Russian Federation are to develop proposals for improving the payment-accounting mechanism for relations with states of the Commonwealth, particularly the procedure for foreign currency operations and accounts with the participation of physical persons and legal entities who are residents of the corresponding states.

3. To create a work group for comprehensive analysis and prognosis of the development of payment-accounting and monetary-credit relations and price setting and for participation in negotiations with former republics of the USSR regarding these issues headed by the chairman of the State Committee of the Russian Federation for Economic Cooperation with States of the Commonwealth, V.M. Mashchits.

The leader of the work group, in coordination with the corresponding ministries and departments, is to approve the personnel composition and organize work in close interaction with the Central Bank of the Russian Federation.

4. The work group created in keeping with the present decree is to prepare drafts of bilateral agreements:

on mutual commitments and payment-accounting relations between the Russian Federation and states that have made the commitment to participate in the ruble zone;

on mutual commitments and payment-accounting relations between the Russian Federation and states that are introducing national currencies.

If the former USSR republics refuse to conclude one of the proposed agreements, to make suggestions regarding a system of economic measures to protect the interests of Russia.

6. [number as published] The Ministry of Foreign Affairs of the Russian Federation is to address to the governments of the former USSR republics a proposal to conduct negotiations in September 1992 on the question of payment-accounting and monetary-credit relations with states that wish to retain on their territories the monetary unit of the Russian Federation—the ruble—and also with states that have decided to introduce their own national monetary unit.

[Signed] Ye. Gaydar

Russian Official on Human Rights in Baltics

WS1401133593 Riga *BALTIYSKAYA GAZETA*
in Russian No 28, Dec 92 pp 1, 2

[Interview with Vyacheslav Bakhmin, director of the Department for International Humanitarian and Cultural Cooperation at the Foreign Ministry of the Russian Federation, by *BALTIYSKAYA GAZETA* correspondent Zalman Kats; place and date not given: "Neither Russia nor Latvia Have Come to Human Rights. Vyacheslav Bakhmin Expresses the Position of the Russian Foreign Ministry"—first paragraph is introduction]

[Text] Prior to the Congress in Moscow, the Russian Supreme Council held parliamentary hearings on human rights in Latvia and Estonia. Vyacheslav Bakhmin, director of the Department for International Humanitarian and Cultural Cooperation at the Foreign Ministry of the Russian Federation, read an analytical report on this issue. (In the next issue of *BALTIYSKAYA GAZETA*, I will tell the readers about Bakhmin's 20-year experience as a dissident and the objectives of his department). Here is the interview with V. Bakhmin on the parliamentary hearings.

[Kats] Vyacheslav Ivanovich, before embarking on the issue of human rights, I will have to start with a pointed question. In one of my recent *BALTIYSKAYA GAZETA* commentaries, I referred to Russia and Latvia as being in a deadlock. Each side maintains that the withdrawal of Russian troops must not be linked with political and human rights. At the same time, each side is doing so. The Latvian legislature believes that the law on citizenship cannot be adopted until "the last Russian Army soldier is withdrawn." Russian politicians—such different figures as Gorbachev, Rutskoy, to say nothing

of Zhirinovskiy and Baburin—are striving with all their might to either suspend the withdrawal, or to preserve the Baltic bridgehead. It stands to reason that they are “stimulated” by the generals. Finally, there is Yeltsin’s notorious resolution linking the pullout with human rights. Is this not the most vulgar policy possible?

[Bakhmin] I am expressing the official point of view of the Foreign Ministry and the top Russian leaders. These two issues should by no means be linked together. The document signed by Yeltsin was recognized as erroneous and was repudiated by Kozyrev’s deputy Churkin. We believe that it is possible to link the withdrawal with the social status and living conditions of servicemen.

[Kats] Such lucidity is encouraging. Despite the fact that conflicting political interests have muddled the issue, the starting point of the top leaders is of great importance. There is one more key question for the success or failure of any Russian-Baltic dialogue. What is your assessment of the Molotov-Ribbentrop Pact of 23 August 1939 and its consequences for the Baltic states?

[Bakhmin] I said at the parliamentary hearings that their joining the USSR was forced, it was annexation in the present-day understanding of this term.

[Kats] I cannot say that Mr. Zotov, head of the Russian delegation negotiating with Latvia, is expressing himself as clearly as you are. This presents an obstacle. We would better understand each other at the table of negotiations.

[Bakhmin] At any rate, the position of BALTIYSKAYA GAZETA is close to mine, and that is why I quoted it at the parliamentary hearings.

[Kats] Could the summary of your analysis be that we do not observe human rights?

[Bakhmin] They are observed nowhere throughout the former USSR. Speaking of Latvia and Estonia, how can people who were born there be left without a citizenship? How can they be humiliated and turned into stateless persons? This is an obvious violation of one of the conventions signed by the Baltic states.

[Kats] Do you understand the inviolability of human rights as the adoption of the law on the “zero citizenship?”

[Bakhmin] I think that only a cunning person would agree that Yeltsin, Landsbergis, Ruutel, and Gorbunovs were thinking of the “zero” version when signing the agreement during a certain night in January 1991.

But, I also understand that times have changed. I do not think that Russia could dictate the law. We do not strive for all ethnic Russians, Russian speaking people in general, to participate in the coming elections. For people living under normal conditions this is not a vital necessity. Your legislature, however, is attempting to restrict economic freedoms and this is influencing life conditions. It gives rise to discrimination. [Kats] Yes, I agree with you; Latvia still has no law on citizenship, but

the criterion for citizenship is inherent in the law on certification. It is probably being written down in the laws on the right to private land ownership and on the privatization of housing.

[Bakhmin] But this is not all. While I fully support your law on languages, I cannot agree with its application. Two important conditions have not been taken into account: the technological and economic facilities establishing conditions for learning Latvian, and the time factor.

[Kats] You are right here as well. On the other hand, there is Riga which cannot be infinitely liberal because it also forgot the Latvian language. At least because many people have not tried to learn the language of the country they live in. A subtle and individual approach may be necessary. Let’s suppose, for example, that the language criterion was excluded in the naturalization of pensioners.

[Bakhmin] Yes, of course. In general, do you not think that the laws of free states should be orientated toward free people. In my mind, the criterion of loyalty in the acquisition of citizenship is wild and absurd. The very application for citizenship is sufficient. The presidents but not the philistines should take oaths. How many people in Russia are against Yeltsin? Millions! But whom does it strike that they must be deprived of citizenship? This would be reminiscent of the worst totalitarian experience. Do do you recall how the most famous dissidents, writers, and musicians were forced to emigrate and were deprived of citizenship?

[Kats] I will note once again: if we do not agree on something, we will not break off our dialogue. What will you say when a dialogue is substituted for an ultimatum? How do you assess the letter of the several Latvian organizations, including the Association of Russian Citizens, to A. Gorbunovs? On the one hand, they are dissatisfied with the citizenship issue in Latvia, at the same time, they have established an association of foreign citizens. This is permissible. But can such a structure present the head of the Latvian legislature with an ultimatum? Can it be that the premises and “headquarters” are provided by a military unit?

[Bakhmin] Such political activities by no means protect human rights. They are primitive and vulgar. The military’s providing shelter to the association is a case of interference in the interior affairs of the Latvian state. The actual and psychological motives are another issue. No one else wanted to provide the shelter. I think that the Latvian state is unjustly rejecting dialogue with these people beforehand, and seeing them only as enemies. We begin with the fact that these people also live in Latvia.

[Kats] Nowadays, our politicians are very much concerned with Latvia becoming a country divided into two communities—the Latvians and the Russian-speaking population. For many people of different nationalities

and views, the "Russian-speaking" feature becomes the determining factor only when ethnic politics begin to press them.

[Bakhmin] Certainly! The more democratic your country is, the narrower is the sphere of common interests uniting the people. On the whole, a developed democratic civil society must do away with it.

[Kats] We have a long way to go. But, now some people would like to leave Latvia... And where should they go, where is there a roof and a job? What can Mother Russia give them except a stamp in their passports: a citizen of the Russian Federation?

[Bakhmin] It can do little, so far. We support your organizations such as "Roots", which are pursuing this, and are looking for land, credits, and conditions in Russia. A federal migration service has been established at the Russian Government. Its efforts are primarily directed toward the dozens of thousands of refugees from the areas of armed conflicts. Latvia, thank God, is not one of them. We need assistance from the international community and commercial structures. Only then will Russia be able to fulfill its duty in relation to everyone who considers himself or herself its citizen, even because of necessity. These people will probably acquire the right to a voucher. According to forecasts, the latter's value will grow reaching into hundreds of thousands. We will make no serious headway without a package of agreements with Latvia, which allow for the possibility of selling one's housing when leaving, or getting compensation. We have certain proposals, but they are not considered seriously. There will probably be no progress on the matter until the withdrawal issue is cleared up.

To be honest, because of current poverty in both countries, Russia's primary interest is to reduce this flow to the minimum so that the people can become successfully integrated into the Latvian environment. Russia will help its diaspora—communities, cultural centers, and the press—within its means...

[Kats] This means that Russia shows vital interest in Petrov and Sidorov mastering Latvian.

[Bakhmin] Without a doubt.

[Kats] And what about Latvians in Russia? Are you concerned with their problems?

[Bakhmin] Yes, we are, but we have to realize them. The Russian legislature does not divide people according to their nationality, and does not face the problem of citizenship. The key thing here is to preserve one's identity, which is also not easy due to Russia's spaciousness. We are looking for a Latvian boarding school building in Moscow that could house 60 children. Latvians do not live together in a big city, and their children need not only a school but also a home.

Forum on Eurasian Commonwealth

934C0652B Moscow ROSSIYSKAYA GAZETA
in Russian 29 Dec 92 pp 1, 2

[Article by observer Andrey Sharapov: "From Old Grievances Toward New Accord"]

[Text] Medieval tradition held that only a state to whose borders inspectors could gallop from the capital in not more than three days could be governed well. Nicholas I complained sincerely to the Marquis de Custine that Russia's principal destiny was the vast distances, not tiring, evidently, of inwardly portraying it as a Central European country with "abbreviated" distances between the cities. Today's ecstasies over sovereignties and independences are also, possibly, nurtured to some extent by similar pastorals.

But with the collapse of the "monster" of the USSR, castigated in every possible way, a feeling that something is not right remains. And it is not even a question of the fact that a country removed from the consciousness still lives and aches, like a severed part of the body. The peoples' self-preservation instinct suggests that you will not get far in the carriage of the past. In managerial language, the optimum combination of centralism and decentralism today is equally distant from both general secretary power and sovereign disorder.

The search for a new balance of interests in this sphere is today under way in three channels—presidential (meetings of heads of the CIS), parliamentary (the Interparliamentary Assembly), and party. Testimony to the latter was the "Toward a New Accord" forum staged on 26 December by the International Democratic Reform Movement. More than 30 parties and movements from republics of the former USSR (including the Socialist Party of Kazakhstan, the Social Democratic Party of Georgia, the Union of Entrepreneurs of the Democratic Reform Movement of Tajikistan, and the Association of Entrepreneurs of Latvia) sent their representatives to work in the hall of the Russian Management Academy. Some of the "founding fathers" of the Democratic Reform Movement—Volskiy, Popov, Sobchak—came also. The main result of the work was support for the concept and charter of a Eurasian commonwealth.

The new idea is not an alternative to the CIS, whose immense significance was emphasized in several speeches. The authors see the commonwealth as a "multilayered" union, in which each participant would himself determine the degree and form of interaction with his partners. The parties which signed the charter should subscribe merely to the basic documents—the treaty on the principles of cooperation and the achievement of civil peace and national accord and treaties on a diplomatic, economic, and defense union. The highest directive bodies of a Eurasian commonwealth could be the Interparliamentary Assembly and the Council of Presidents (heads of state).

From the official structures this idea was rendered the most support by the president of Kazakhstan, but the leader of the Office of the President of Ukraine for Relations With Civil and Political Organizations and Movements did not in a polite response omit to mount the hobby-horse favored by today's Kiev politicians: "Steps to reconstitute any surrogate of the USSR would be in violation of the Act of State Independence of Ukraine...."

Of course, the trouble is not only the fact that the new political elites which have come to power are moving into the future burdened with the fears and ideals of an irretrievable past. The main thing is that the economic forces capable of making mutual partnership irreversible have been hobbled. Both throughout the space of the former USSR and in each sovereign state individually, what is more. It is a fourth, "economic," channel which could lend vitality to a qualitatively new union of peoples—in the form of the CIS, a Eurasian charter, or

any other. And the truth needs to be looked in the eye—Russia retains as yet the greatest potential and the greatest opportunity to become the leader in this new commonwealth of economic expediency. And it is also up to it to perfect a new "center-periphery" model.

Fortunately, the daydreams of past Russian potentates of reducing the model of administration of our Eurasia to an outline of Holland, Prussia, or the United States proved absurd. We are condemned, therefore, to find our own character. Nor is it known, moreover, whether it is in fact disfigured by the "birthmarks" of a powerful industry, raw material potential, and the unique experience of macro-management. Both a country where from the capital to the borders is three days by horse and a country in which three days require a fast train may be governed efficiently. It is impossible to govern merely a country of slaves—today's or yesterday's being immaterial. Because slaves understand only orders....

POLITICAL AFFAIRS

Movement for Democratic Reforms Proposes Additions to Referendum

934C0668A Moscow NEZAVISIMAYA GAZETA
in Russian 30 Dec 92 p 2

["NG" report: "Russian Movement for Democratic Reforms—in Favor of Elections"]

[Text] The Russian Movement for Democratic Reforms Political Council has proposed that the question of the adoption of a new Constitution by a Constitutional Constituent Assembly specially elected for this purpose be put to the referendum on 11 April. The Political Council considers the priority task the elaboration of a law on elections and their organization.

The RDDR [Russian Movement for Democratic Reforms] has proposed that the Supreme Soviet publish the draft basic provisions of the new Constitution prepared by the Constitutional Commission. In addition, the Political Council has called on the Supreme Soviet to provide for the possibility of the publication for general discussion of alternative versions of the basic provisions.

The statement of the Political Council apropos the meeting of the Interparliamentary Assembly of Commonwealth countries says that "the creation in the current situation of new suprastate structures" is inexpedient and that the problems of the CIS require a search for new solutions which unite both the bilateral and interstate interests of countries of the Commonwealth. In the RDDR's opinion, a step in this direction would be "discussion at Interparliamentary Assembly level of the question of the creation of special structures which would study the entire set of relations of each participant in the CIS with participants in the Commonwealth, removing them thereby from the framework of so-called diplomatic relations and tackling problems of the CIS with regard for the interests of the multinational population residing in these states."

Democrats To 'Consolidate' Forces

934C0668B Moscow NEZAVISIMAYA GAZETA
in Russian 29 Dec 92 p 2

["NG" report: "Democrats Intend To Consolidate"]

[Text] Yesterday's news conference of leaders of the parliamentary Reform Coalition, in which Lev Ponomarev, Gleb Yakunin, Sergey Yushenkov, Petr Filippov, and Boris Zolotukhin took part, demonstrated the democrats' touching agreement that, as Sergey Yushenkov said, it is essential to form a broad bloc of democratic forces in support of the reforms. Such consolidation is particularly important in connection with the referendum on the new Constitution scheduled for April.

Although the trend toward the "concentration of power in the hands of soviets of all levels" (Yushenkov) was not

overcome, the president "strategically took control of the course of events" (Yakunin) at the Congress. In the opinion of Yakunin, "profoundly satisfied with the composition of the government," the policy of implementation of the reforms and democratization will continue.

Having defined the three main political blocs—the right-left opposition, the association of democratic forces, and Civic Union—Lev Ponomarev declared that Civic Union had "at the Congress shown its bankruptcy."

Constitutional Commission Chief on Referendum

934C0668C Moscow NEZAVISIMAYA GAZETA
in Russian 29 Dec 92 p 2

[Article by Andrey Goltsblat, leader of the Constitutional Commission Secretariat: "For the Adoption of a New Basic Law. The 11 April Referendum—Step En Route to the Stabilization of Society"]

[Text] The first step away from "further work on the draft" and toward the adoption of the new Constitution was, finally, taken at the Seventh Congress of People's Deputies. A contribution was also made to this to one extent or another by the confrontation of the legislator wanting each and everything and the executant desiring no less. Everyone sensed, finally, that there are no statutes precisely distributing to each his own. The procedure of a revision of the current Constitution enables the legislator to revive, practically, the omnipotence of the soviets. The provisions of Article 104 of the Constitution (Basic Law) of the Russian Federation—Russia to the effect that "the Congress of People's Deputies of the Russian Federation is competent to consider and decide any matter pertaining to the jurisdiction of the Russian Federation" has simply remained part of the text of the Constitution, despite the fact that it was proposed excluding this wording as being contradictory to the principle of the separation of powers and the principles of a state based on the rule of law. After all, it is by no means a question of the powers the president will have compared with the Supreme Soviet. The danger consists in the potential possibility of the congress, revising, violating, and adopting this decision or the other, not in practice complying either with the Constitution or other laws. This is the path toward the destruction of statehood. The president's appeal to the people at the Seventh Congress was on the one hand a reaction to the desire of the people's deputies to realize the provisions of Article 104 of the Constitution in full, and, on the other, a consciousness of his own legal impotence.

One resolution on the question of a new Constitution had already been adopted, and its title, as in previous times, promised nothing: "On Further Work on the Draft New Constitution of the Russian Federation"—that was it. Although the draft had proposed calling this resolution "On the Adoption of a New Constitution of the Russian Federation in 1993." It seemed excessive to the deputies to burden themselves with any obligations

whatever. The clause of the said resolution which provides for a special congress in 1993 devoted to the question of the new Constitution, first, does not require its adoption; second, the deputies could yet again avail themselves of Article 104 and not hold it at all.

Nonetheless, the Supreme Soviet was ordered to complete an item-by-item consideration of the completed draft Constitution in February-March 1993 and then, together with the Constitutional Commission, to present it to the congress. By the resolution "On the Stabilization of the Constitutional System of the Russian Federation" the Supreme Soviet was instructed to approve the text of the draft basic provisions of the new Constitution, coordinated with the president and the Constitutional Court, to be put to the referendum.

The resolution "On the Stabilization of the Constitutional System of the Russian Federation" was, as we all know, adopted after the resolution "On Further Work on the Draft Constitution of the Russian Federation." But, despite this, these decisions not only are not mutually contradictory but, on the contrary, complement one another and provide a more or less clear picture of the possibility of the new Constitution being adopted.

Procedure, Time Frame, and Problems of Adoption of the New Constitution

So in principle, the new Constitution may be adopted in 1993 by the congress. In this case, the congress will be preceded by a referendum on its basic provisions, which has been scheduled for 11 April 1993. The congress has to proceed from the results of the referendum.

The following procedure and time frame of its adoption may be anticipated primarily.

January-February 1993—the elaboration on the basis of the draft Constitution, whose provisions constituted the basis of the constitutional reforms, of the draft basic provisions for presentation to the Supreme Soviet for approval. The text presented to the Supreme Soviet in accordance with the resolution of the Seventh Congress of People's Deputies of the Russian Federation "On the Stabilization of the Constitutional System of the Russian Federation" should be coordinated with the president and the Constitutional Court here.

February-March 1993—completion of the item-by-item consideration of the draft by the Supreme Soviet. This assignment was given the Supreme Soviet by the Seventh Congress.

March 1993—the Supreme Soviet's official harmonization and approval of the draft basic provisions of the new Constitution and its publication.

If this wording or the other is not approved and the president or the Constitutional Court insists, it will be put to the referendum together with the Supreme Soviet's version, which ensues directly from the text of

the resolution of the Seventh Congress "On the Stabilization of the Constitutional System of the Russian Federation." Then the above draft will be published.

There is no doubt that alternative draft basic provisions of the draft new Constitution will appear in this period. But there are no purely legal grounds for this. The Sixth Congress of People's Deputies unequivocally supported the draft prepared by the Constitutional Commission and adopted a decision not to consider alternatives. The congress approved the overall concept of the constitutional reforms made the basis of the draft Constitution. It is perfectly natural in this connection that the basic provisions to be put to the referendum should be elaborated on the basis of the official draft also.

11 April 1993—Referendum

In accordance with the law, "Decisions are deemed adopted at a referendum on questions of the adoption, revision, and amplification of the Constitution of the RSFSR if more than half the citizens of the RSFSR eligible to participate in the referendum have voted for them." Clear enough, at first sight.

The problem is that if the vote on the basic provisions of the new Constitution is attributed to "questions of the adoption" of the Constitution, for the decision to be adopted a majority of the eligible citizens, that is, of the electorate, is needed. And if 51 percent of the citizens of the Russian Federation eligible to participate in the referendum does so here, in order for the decision to be adopted they must all vote "for."

In connection with the above, it would be expedient, in accordance with Article 109 of the Constitution, for the Supreme Soviet, when approving the text of the basic provisions, simultaneously to provide an official interpretation of the rule of law on the referendum concerning the procedure of adoption of the decision, whose content should be as follows. A vote on the basic provisions of the new Constitution is not a vote on the question of the adoption, revision, or amplification of the Constitution, and the decision will be deemed adopted at the referendum, therefore, if a majority of those who took part in the ballot votes in favor of it. Another path of the solution of this problem is the enactment of a law of the Russian Federation on a revision of the RSFSR law "A Referendum in the RSFSR," which sets forth the corresponding article in different wording, namely: "When holding a referendum on the adoption and so forth..." that is, not on the question of the adoption but on the adoption, that is, so that it be unequivocally clear that a majority of the electorate is needed only upon the adoption of the Constitution.

One further problem connected with the referendum is that of how the basic provisions will be voted on—as a whole or separately. The point being that a vote on all the basic provisions as a whole may take place in the event of there being no contradictions in respect to any wording. Otherwise, in respect to wording on which accord has

not been achieved, a separate vote is essential. Three versions of the ballot are thus possible:

1. If there are no contradictions in respect to any wording, they are all voted on as a whole.
2. If in respect to some wording accord has not been achieved, it will be voted on separately, and the rest, as a whole.
3. Regardless of whether accord has been achieved or not on any wording whatever, it is all voted on separately.

The first version is the preferable, of course. If it is not possible, it is essential that version 2 be adopted. The third version of the ballot could lead to some wording not obtaining a majority. The customary procedure of the adoption of the Constitution would take effect in this case.

Fall of 1993—the congress devoted to the question of the new Constitution.

Basic Provisions of the New Constitution of the Russian Federation

The majority of the basic provisions of the new Constitution are set forth in its first section "Principles of the Constitutional System." For this reason, it was originally anticipated that it was the provisions of the first section of the draft which would be put to the referendum. But it was shown to the deputies that the first section did not reflect all the basic provisions necessary for public approval, and the Seventh Congress adopted the resolution "On Interpretation of Individual Provisions of the Resolution of the Seventh Congress of People's Deputies of the Russian Federation 'On the Stabilization of the Constitutional System of the Russian Federation.'"

In accordance with this document, we should understand as the basic provisions "the principles of the social system, the principles of the organization and the activity of the federal organs of legislative, executive, and judicial power, the principles of the legal position of the individual, and other principles of the constitutional system."

The Constitutional Commission working group prepared on the basis of the first section of the draft and the congress' resolution the draft basic provisions of the new Constitution. Ten such were formulated altogether.

The draft breaks with the totalitarian past and creates the legal basis for an open society and a state oriented toward values common to all mankind.

The principle of state sovereignty means that the Russian Federation has the supreme and exclusive right in respect to its territory and national wealth and independently determines and pursues its domestic and foreign policy.

Human rights are natural and inalienable. It is the state's duty to defend and safeguard them.

The principle of the power of the people is expressed in the fact that the exponent of sovereignty and the sole source of power is its multinational people.

The draft basic provisions reject dictatorship and guarantee political and ideological pluralism.

Parties and other associations and movements setting one part of the populace against another are banned.

The Russian state is based on the principle of the separation of powers and also the separation of the authority of the federation, its subjects, and local organs of self-government.

The state and all its bodies and officials are connected by law and the constitutional system. The Constitution of the Russian Federation is the supreme law of the republic.

Russia's economic system is based on the equality of all forms of ownership and the legal equality of the owners: private individuals, associations thereof, and the state. The right of ownership is protected by law.

The market, free economic initiative, and competition are the principal regulators of the economy. The state participates in the regulation of economic activity.

The state organizes its activity on the principles of social democracy and justice in the interests of the well-being of man and society. The state's principal duty in the social sphere is the creation in the country of the conditions for assurance of a fitting living standard for all strata of society.

National-territorial and regional formations are united in the Russian republic on a federal basis. They are members of the Russian Federation on the basis of equality and self-determination.

The Russian Federation may voluntarily unite with other states in a commonwealth or other union on a treaty basis. It delegates some of its rights to the commonwealth (union) for the management of common joint business, reserving the right to supervise and participate in its implementation. The sovereignty of the Russian Federation remains unshakable. It reserves the right to unrestricted withdrawal from the commonwealth (union).

Respecting the rights and liberties of the peoples, the Russian Federation is guided in its foreign policy by the generally recognized principles and rules of international law. It aspires to a general and just peace based on values common to all mankind and close, practical, and mutually profitable cooperation with all countries.

The basic provisions form the stable foundations of the constitutional system of the Russian Federation. The basic provisions may be revised only by way of referendum. And the Constitution of the Russian Federation may not stand in opposition to them.

The decision to hold a referendum on the basic provisions of the new Constitution gives one reason to believe that a step en route to stabilization of the constitutional system has been taken. A real mechanism preventing anyone from arbitrarily changing its fundamentals is emerging.

Dem Party Considers Preparation for Referendum Main Objective

934C0672B Moscow SOVETSKAYA ROSSIYA
in Russian 22 Dec 92 p 2

[Article, under rubric "At the DPR Congress": "Left Without a 'Leader?'"]

[Text] Moscow, 21 December. The Russian Democratic Party [DPR] declared at its 4th Congress that its main task is the preparation for the referendum on the basic principles in the new RF [Russian Federation] Constitution and for the future election.

Over a two-day period the congress delegates discussed the socioeconomic and political situation in the country and the party's tasks under the new conditions.

The congress adopted a decree entitled "The Leader of the DPR," in which there is confirmation of Nikolay Travkin's resignation from the position of party chairman in view of the fact that he is the head of the administration of Shakhovskiy Rayon, and the decree of the Union of People's Deputies, entitled "The Mechanism of the Sovereignty of the People in RSFSR," does not permit the simultaneous occupancy of the position of leader of a state agency of authority and any other position, including a position in political organizations. Having noted the antidemocratic nature of that principle, the congress decreed that the position of party chairman should be left vacant and "to confirm the leadership of Nikolay Travkin in the DPR."

DDR Discusses Last Year's Events, Future Goals

934C0687A Moscow SELSKAYA ZHIZN in Russian
29 Dec 92 p 2

[O. Akulova report: "Toward New Accord! The Second Congress of the Movement for Democratic Reform Has Been Held Under This Motto in Moscow"]

[Text] The movement was born a year ago. Full of optimism, those at the source thereof were A. Volskiy, N. Petrakov, A. Rutskey, G. Popov, I. Silayev, A. Sobchak, A. Yakovlev. The first congress was opened by E. Shevardnadze....

Today there are fewer delegates, the presidium is of thinner composition, and the path trodden has proven far more difficult than imagined. Nonetheless, the movement has with the democratic idea succeeded in uniting

approximately 30 political parties and 60 public organizations and regional centers of all independent states among our immediate neighbors. It has essentially become international.

Despite the centrifugal processes laying waste not only to palaces but also huts, the movement succeeded in this incredibly difficult year in maintaining a "roundtable" of the peoples. There were 10 meetings of the Board and the Political Council, over 40 statements and appeals were adopted, and consultations on the problems of refugees and the fundamentals of legislation governing parties were held. The situations in many "flash points" were analyzed with the help of experts and sociologists. All this made a small but very necessary contribution to the reconciliation and harmony of the peoples.

On the other hand, the movement has yet to accomplish its missions. Following the constituent congress, which was inspired by its mass character and striking leaders, the public expected of the DDR [Movement for Democratic Reform] big results. But this has not happened. On the contrary, a split in the leadership and the departure from the movement of some of its founding fathers emerged immediately. It was not possible for this reason to realize many far-reaching plans: inaugurating its own newspaper, television channel, research center, and so forth. But the participants in the congress by no means intend to retreat from their plans; and they believe that the year was not spent in vain.

The congress confirmed once again that the main goal remains as before—consistent democratic reforms. The democratic movements of all the independent states need an increase in and the cohesion of center forces. Only peace and accord, public dialogue, and a search for ways of mutual understanding can ensure success for the reforms. The need for different organizational approaches in work, primarily the need for a unification of the efforts of the DDR and other international organizations, the CIS Interparliamentary Assembly first and foremost, is becoming clear.

The congress adopted the statement "The Commonwealth of Independent States" and the appeal "Stopping Fratricidal Wars and Defending Human Rights."

The Movement for Democratic Reform's Political Council addressed to the Supreme Soviet the proposal for the publication for extensive discussion in January 1993 of the draft basic provisions of the new Constitution of Russia prepared by the Constitutional Commission.

At the same time, the Russian Movement for Democratic Reform called on the Supreme Soviet of the Russian Federation to provide for the possibility of the publication for general discussion of alternative versions of the basic provisions of the new Constitution, which would make it possible to cultivate Russians' more balanced and substantiated attitude toward the country's constitutional arrangement.

'Free Russia' Concerned With Efficacy of New Government

934C0672A Moscow NEZAVISIMAYA GAZETA
in Russian 31 Dec 92 p 2

[Article: "NPSR Persuades the President"]

[Text] The board of governors of the "Free Russia" People's Party [NPSR] has expressed the fear that the new government that was formed by the "method of behind-the-scenes negotiations and individual decisions" will be ineffective, and from the very beginning will prove to be in political isolation. The board of governors proposed to Viktor Chernomyrdin that he conduct consultative sessions with the basic political forces with regard to the program and priorities of the cabinet's activities.

As for the president, he, in the opinion of NPSR, has been delaying the signing of the law governing the Council of Ministers and creating a "new power structure in a sphere that is very important for society—the mass information sphere—which does not conform to the decree of the 7th Congress of People's Deputies, entitled "Stabilization of the Constitutional System in Russia."

Report on Republican Party Forming Liberal Bloc

934C0672C Moscow NEZAVISIMAYA GAZETA
in Russian 31 Dec 92 p 2

[Article by Natalya Gorodetskaya, under rubric "Parties": "The RPRF Forms a Liberal Bloc, but Does Not Leave 'DemRossiya'"]

[Text] Summing up last year's results, the leaders of the Republican Party of Russia [RPRF—Republican Party of the Russian Federation] declared as their victory the collecting of signatures in favor of conducting a referendum on private ownership of the land, and declared as a defeat the predominance of left-radical views in the "Democratic Russia" movement. Although the Republican Party is a collective member of "DemRossiya" and largely shares the movement's positions, the recently held congress of the DDR [Democratic Reform Movement] was called "defeatist." In the Republicans' opinion, it is categorically impossible to accept the idea of the need to speed up the reforms, since this is fraught with social explosions. Something that is equally groundless is the course aimed at convoking a Constituent Assembly, because, with the current placement of the political forces and the state of society, one can assume that the persons who will be taken into the assembly will be chiefly populists, and it is completely possible that they will be precisely of a Communist and nationalistic persuasion. Everyone realizes what kind of Constitution they will adopt.

The Republican Party insists on the need for a special election to the Supreme Soviet so that precisely that

Supreme Soviet will adopt the new Constitution. Moreover, Igor Yakovenko, Vyacheslav Shostakovskiy, and Vladimir Lysenko have agreed that the election must not be a purely party one. Currently one can speak only about "giants from dwarf parties" of the DPR [Russian Democratic Party], NPSR ["Free Russia" People's Party], and RPRF type, but even they are not so influential as to be victorious in the election individually. Therefore it is possible to speak only about a majority-party election.

The Republicans have given themselves approximately two years to prepare for the election campaign. During that time they hope to form a liberal bloc of parties, a conventional "right wing," that is called, for example, "Liberal Russia." But the Republicans are not thinking of leaving "DemRossiya," hoping in the future to use its experience in carrying out the pre-election struggle. But the liberal bloc must also not be part of "DemRossiya." Instead, it will be an "intersecting parallel," to use Shostakovskiy's expression. Presumably the bloc can include the Economic Freedom Party, the League of Members of Cooperatives and Entrepreneurs, and "Consent For the Sake of Progress," "Motherland," and "Left Center" parliamentary factions, and political figures who have not yet found for themselves a sufficiently attractive "niche." Aleksandr Yakovlev has supported the idea of creating this kind of bloc. After a meeting with Yegor Gaydar, the Republicans concluded that "liberal ideas have proven to be demanded, and the bloc must occur," although Gaydar has not made any direct statement about his support.

The creation of a new political bloc is a long and painstaking job. Even if it does "occur" before the election, it will scarcely be victorious, the Republicans feel. Rather, its time will come in about six years. For the time being, the most probable winner is the "Civic Union." True, the RPRF leaders are convinced that it will not remain in power for long—with the further liberalization of the legislation and society, this "leftist bureaucratic center" will inevitably leave the political scene. But the leftist radicals (Communists, nationalists), as has been stated, in general have only small chances of success.

Within the near future the RPRF intends to reform "DemRossiya," including "attempting to achieve the resignation of people who have not coped with the political leadership of the movement." In addition, there lies ahead the holding of the referendum on the question of private ownership of the land. The Congress of People's Deputies has not designated when that referendum will be held. But if the Supreme Soviet delays the deciding of that question, "for which it does not have any legal rights," the Republican Party intends to lodge a complaint about the people's deputies to the Constitutional Court.

Christian Democratic, Republican Leaders Debate Political Situation

934C0697A Moscow TRUD in Russian 10 Jan 92
pp 1-2

[Interview with Viktor Aksyuchits, RF people's deputy, Russian Christian Democrat Movement chairman, and Vyacheslav Shostakovskiy, co-chairman of the Russian Republican Party, by Olga Solomonova, under "For and Against" rubric: "Does Politics Have a Back Yard?"]

[Text] The people we are speaking with today—Viktor AKSYUCHITS, Russian Federation people's deputy and chairman of the Russian Christian Democrat Movement, and Vyacheslav SHOSTAKOVSKIY, co-chairman of the Republican Party of Russia—represent different poles of political forces.

[Solomonova] Let's go back to the Seventh Congress of People's Deputies. How do you rate its results? How fruitful were the compromises achieved?

[Aksyuchits] Unfortunately, much of what was said in the mass media about what happened at the congress was untrue. The congress began under conditions of confrontation. When I spoke to the Supreme Soviet a month before the congress, I called for the president to bring together a round table of national accord with all the influential political forces and parliamentary factions to discuss a program of real reforms, not the pseudo-reforms of Gaydar. But for some reason, our president did not deem it necessary to consult with the parties and factions. When we were choosing the premier, we didn't discuss anything, we closed our eyes to everything in the name of political expediency. I requested that all 17 of the candidates proposed by the factions be made public. How can you elect the chairman of the government without knowing his positions or programs—blindly!

Yes, and the figures of V. Chernomyrdin is an enigma for me... Either he will be merely a figurehead, and all future policy will be determined by the same Gaydar, who has now become the president's advisor on the economy. Or, he will turn out to be a strong person, and will conduct his own policy. But what will it be like? What if this man is not prepared for reforms?

[Shostakovskiy] Of course, it is simply staggering—the president is criticized for appointing Gaydar secretly, without making public his program, although Gaydar's program existed in tens of his articles, and he was known to the thinking public. We voted for the premier without even asking any questions about where he would lead the reforms, our vote was somewhat obscured. And this says something about the fact that issues of this sort cannot be resolved productively by a non-professional organ.

Now, about the principle things. The congress essentially attacked attempts at the long-term conservation of Soviet power. And as long as we continue to recall the Soviet republic, that type of government, we won't achieve anything useful.

Besides that, the Supreme Soviet is not a parliament, because it was constructed in a strange manner. Factions—what kind of a structure is that, whom do they represent? In any case, not parties. The presidium, the chairman of the Supreme Soviet—are also attributes from the past. And we want a legal state to exist and a determination of the division of powers under those conditions?

You speak of national accord. A wonderful thing. But I am convinced that there is no schism in society. There is no bitter opposition between political forces. Society has been atomized, and processes are taking place in the average Russian city that are completely different from those at the congress in the capitol.

I would also like to say something about dictatorships, about coups, about all cautions of this kind. You, Viktor Vladimirovich, and Mikhail Astafyev, and Sergey Baburin warned in spring of this year that over the summer something frightening would occur—certain deputies would be arrested...

Society is always being incited by threats like this of a dictatorship.

[Aksyuchits] I did not use the word "dictatorship." I had in mind the establishment of an authoritarian presidential regime.

[Shostakovskiy] This, I consider, is impossible. At this time, it is impossible for any regime to exist in Russia, much less a strict one. The power structures that it would depend on are lacking.

[Aksyuchits] But there was an attempt!

[Shostakovskiy] When Grachev talks about how everything is calm and fine in the army—the deputies applaud. But in reality, you know perfectly well that the army is demoralized, like all the rest of society.

[Aksyuchits] A coup attempt doesn't necessarily have to be successful. I, for example, am convinced that it would lead to Russia's collapse.

[Shostakovskiy] Various circumstances could lead to collapse, including the actions of certain deputies who are fighting for a constituent assembly. And you say that the president could achieve a national accord by consulting with parliamentary factions and parties. I also believe that he should ask for advice. But to speak seriously today of a national accord in the form of some sort of coalition government, forgive me, is not very realistic. The subjects of our political processes are too weak, their base has been eroded. They all end where the asphalt ends. Not a single political force today has any deep impact. And this includes the "Civil Union," which is attempting to represent itself as some sort of powerful monolith.

[Aksyuchits] Do you apply that to "Democratic Russia," as well?

[Shostakovskiy] "DemRussia" is more powerful than the others, although it is in crisis. It is more powerful because it has constructed some internal structures, it has an activist core. And what the "Civil Union" has is, for now, hard to say. It is the latest myth. The president has decided to consult with this union, but the union's program, it seems to me, leads us in a direction that is far from the market.

One of the peculiarities of the past congress is the fact that everyone was for the reforms—all the factions, all the deputies, including the communists. But nobody says what reforms he has in mind. And after all, in all the countries that are leaving behind socialist economic systems, analogous processes are taking place, but at different speeds.

[Aksyuchits] And China?

[Shostakovskiy] China is a special article. What happened there will not be repeated here, no matter how badly people want it. But in the countries whose mentalities and traditions are closer to ours, exactly the same processes, one for one, are taking place. But why doesn't anyone want to delve into the objective causes of what has occurred? Why do we always interpret reality as the actions of certain leaders, premiers, deputy factions? One of the reasons is that in Russia, people were never free, they were subjects. People oriented themselves on the landowner, on the police officer, on the governor, the tsar, the minister, the factory director, the party committee secretary... Not on the law, but on the man who decides your fate. Here lie the roots of our level of political culture.

[Aksyuchits] First of all, I disagree with your allegations that the Supreme Soviet is not a parliament! From the point of view of the ideal—of course. And I, as a deputy, have a much greater basis for complaining about that parliament. But right now, it is the only one we've got. Of course, it must be perfected, and I believe that it is already time to raise the question of pre-term general elections. And then, we will have a better parliament and a better president. But when, in relation to the existing congress, people do what the president has done, and it is supported by the entire press,—I will never agree with that.

[Shostakovskiy] Why the "entire" press? The "opposition" (in quotes) has never had this many printing organs—SOVETSKAYA ROSSIYA, PRAVDA, DEN and others. You get much more time on television than, say, do I, a representative of the Republican Party.

[Aksyuchits] I appear there frequently because I am very active as a deputy. But in reality we are all living under an information blockade. Look at the mass media—all of them are copies of the totalitarian regime, both the pro-government and the anti-government media. They are living on printing bases, finances, the foundations of that totalitarian regime. I, as a representative of the opposition, was not connected in any way with that

system, and because we don't have our own mass media, we have no tribune from which to make public our position.

[Solomonova] You mean that you cannot express your position in the newspaper PUT, which was founded by your party?

[Shostakovskiy] Exactly—you have your own newspaper, you "appear" on screen, you publish your articles in PRAVDA. And the Republican Party, which came out of the democratic platform of the CPSU,—is also a copy of totalitarianism? But we don't have our own press.

[Aksyuchits] You have something else—cadres that came from there, and that means connections. Everything that you have is thanks to the party past, while what we have—is in spite of it. That is where the difference lies. Yes, the parliament is bad, the parties are weak. But they are the only ones we have! The president is obligated to start working with them.

[Solomonova] Are you suffering from the government's lack of attention towards you?

[Aksyuchits] We are not suffering from anything. Russia is suffering from it.

[Box] Viktor AKSYUCHITS. Joined the CPSU in 1971. Graduated from the Philosophy Department of Moscow State University. In 1978 withdrew from the CPSU, and until 1988 worked as a seasonal construction worker. In 1990 was elected a Russian people's deputy. In 1991 organized the Russian Christian Democratic Movement, 43 years old.

Vyacheslav SHOSTAKOVSKIY. Until 1990—party personnel worker. In 1990 withdrew from the CPSU, and became co-chairman of the Republican Party of Russia. Director of the Center of Social Sciences at the International Foundation for Socio-Economic and Political Science Research (the "Gorbachev Foundation"), candidate of philosophical sciences, professor. Fifty-five years old.

[end box]

[Shostakovskiy] There is a certain phenomenon that is also a part of our traditions—political arrogance. Unfortunately, quite a few people suffer from it, including the president and the Supreme Soviet. Generally, the parties could perish if there are not elections of some sort soon, that is, the political market will not begin functioning. Now, all the competition is imagined.

[Aksyuchits] But elections—that is what we must strive for in the future. But the president and the government can already be stimulating the development of political institutions and the structures of civil society right now.

Frankly speaking, I do not think that this is solely a matter of arrogance. It is simply that our president has achieved success thanks to his strong qualities and experience as a party apparatchik. But he had absolutely

no experience or desire to become a government figure on an all-Russian scale. He doesn't understand that civil society and a multi-party system could be the basis of his power.

[Shostakovskiy] The president is a man who is capable of evolving. He is also capable, I think, of mastering the policy of a government figure. Possibly, with difficulty. After all, essentially, we have not had a state as such. The whole kettle of fish was on Staraya Ploshchad. The process of establishing statehood is extremely painful, a fact that can also be seen in what is occurring in the independent states of the CIS.

[Aksyuchits] We should have reformed what we had instead of tearing everything down to the foundations.

[Shostakovskiy] Are you suggesting that Yeltsin, with Kravchuk and Sushkevich, has torn everything down? I am against making people into such powerful knights. Three people, or a fourth—Gorbachev—cannot destroy something like that...

[Aksyuchits] But all the same, too much, unfortunately, depends on personality. What is the Yeltsin-Gaydar team guilty of? What Gaydar wrote—was known by a narrow circle of people. And they were supposed to have presented his program so that the entire public would know about it. But they did everything secretly, and there wasn't a program at all. The results were catastrophic. To me, for example, it is completely clear that our extremely monopolized economy can only be reformed through evolution. As a Christian Democrat, in many ways, I consider the Erhard's principles of the socio-market economy a model.

[Shostakovskiy] The analogy with postwar Germany, Viktor Vladimirovich, is entirely incorrect. There, as we know, they had the Marshall Plan and a completely different sociopolitical situation.

[Aksyuchits] OK, we'll take that out of the parentheses.

[Shostakovskiy] The year before last, Gaydar started out without privatization. But I am not sure that any privatization program would get through parliament with that kind of legislator.

[Aksyuchits] What kind is "that kind?" And who has interfered with the president's issuing of an edict on realistic privatization?

[Shostakovskiy] Alright, can you guarantee that Gaydar's program for '93 will work out? After all, already, almost six thousand enterprises are being turned into joint stock companies. AvtoVAZ—the giant that was liberated from government influence. Gaydar was the one who pushed that process through. From my point of view, he made one mistake—he counted on the enterprise directors to act in accordance with the market.

[Aksyuchits] A conceptual error: a nonmarket subject cannot act in accordance with the market. The task of the

economic reforms is the restoration of the property-holding class. Which societal group would be the most effective property owner under our conditions? The workers? The peasants? The creative intelligentsia? No. The only societal group is the corps of administrators. According to our program, it is exactly they who should be given the controlling packet of stocks. But the state should control distribution.

[Shostakovskiy] Specialists hold the controlling packet of stocks, and the labor collective reacts calmly to it? You don't know the psychology of our people. And your program is an abstraction. You propose to preserve the distribution system. What does that mean—state orders, credits, resources? Everyone is yelling at Gaydar—he has destroyed the state sector, he has not implemented privatization... I have never met a single economist yet who would say intelligibly how he would begin. They all say—gradually, beginning with privatization. But how? I believe that the program set out by Gaydar at the congress is the most realistic. There simply isn't any other, if we're talking about the market. If we're talking about freezing prices, salaries, then that has no relation to the market at all...

[Solomonova] You, Viktor Vladimirovich, believe that the most intelligent program in Russia would be the socio-market program of your party. Vyacheslav Nikolayevich has hope for Gaydar's reform program. But the issue is that today, the parliament, the president and the government are the participants in the real political war, while the parties are not taking any direct part in it. Who needs your programs, your opinions? Who will support them?

[Aksyuchits] We must work today, that tomorrow may come. It is not the parties' fault that they are in the back yard of political life. It is the fault of Yeltsin, Gaydar and Burbulis. Today, nobody needs our programs, but tomorrow, they might come in handy.

[Solomonova] But time is passing, and the programs are becoming obsolete.

[Aksyuchits] We are working on them constantly.

[Shostakovskiy] There exists the opinion that democracy is a very difficult system. But nothing better has been thought up. Parties are also generally unpleasant. But without them, there can be no harmonious interaction between civilian society and the state. After all, what is democracy? It is the capability of admitting victory if your opponent has won it legally. It is the complete withdrawal from the principle of revolutionary expediency. Unfortunately, many parties, and I don't want to point my finger, are also promulgating that principle today. There are even people like this in "Democratic Russia."

[Aksyuchits] Is it possible that there are people there who are like that?

[Shostakovskiy] There are. And they want to base their actions on the Constitution. The Constitution is, of course, a strange one, but nevertheless.

[Solomonova] The ideas of democracy have been discredited in society, the democrats have run off to different corners, working on their goals and tasks, but have any parties professing democratic principles survived?

[Shostakovskiy] Without any false modesty, I will say—the Republican Party.

[Aksyuchits] And I consider that some of the most consistent democrats in Russia now—are the Christian Democrats. And schisms are a normal phenomenon. To hope, after 70 years of totalitarianism, that everything will appear at once, in a finished form—is utopia.

[Solomonova] Is it possible, in your opinion, that we have a party here that could come to power through a conspiracy?

[Shostakovskiy] The situation we have now is relatively close to the one in the Weimar Republic, when Hitler came to power in an entirely legal way. And I have greater fears that it will develop in that way, that in an entirely legal manner, with the help of deputy factions, some sort of extreme forces could end up on top.
[Solomonova] Which specific factions could facilitate the seizure of power by extreme left and extreme right forces?

[Shostakovskiy] The very same "Russian Unity." And they could use a completely unknown figure to do it.

[Aksyuchits] And I think that this kind of fear comes from parties with a neo-bolshevik orientation that hide behind radical democratic slogans. This is, in many ways—"DemRussia," from whose tribune resound the anti-democratic calls by Yakunin and Ponomarev to disperse the congress. I truly believe that Russian can be saved only by a national dictatorship.

Last year's neo-bolshevik onslaught placed the unity of the Russian State under threat. Only a strong legal government that defends Russia's national and state interests can preserve it. Even the most totalitarian state is, all the same, better than chaos.

[Shostakovskiy] Yes! A strong-willed figure will appear, some general with a military past who will stop at nothing to defend state interests!

[Aksyuchits] Former Politburo members are no better...

[Solomonova] In connection with the referendum that was conducted on April 11, do you see any indication that the political battle has grown more serious?

[Shostakovskiy] Without a doubt. A great deal depends on how the issues are formulated.

[Solomonova] And around which issue concerning constitutional fundamentals will the main battle ignite?

[Shostakovskiy] Once again, private ownership of land.

[Solomonova] With whom will your parties consolidate in this battle?

[Aksyuchits] Today, we cannot unite with anyone. Our party has chosen a different tactic: not to settle for compromises that force us to surrender our principles.

[Shostakovskiy] We will be searching for allies on the liberal flank. In "DemRussia," of course. We will be consulting with the Party for Economic Freedom and the Party for Free Labor.

Interview conducted by
Olga SOLOMONOVA

Sterligov on RNA's Aims

934C0675A Moscow PRAVDA in Russian 4 Jan 93
pp 1-2

[Article by Aleksandr Sterligov: "The Russian Assembly"]

[Text] Twenty-eight parties are registered in the Ministry of Justice of the Russian Federation. But in actual fact there are far more of them (social movements should be considered also). What are their aims? What is the tenor of their internal life? Who are their leaders?

And, of course, the readers will have to decide how these new political forces influence the country's destiny.

We introduce the first: the Russian National Assembly social-patriotic association. The Assembly's constituent congress was held on 17 February 1992. The highest executive bodies are the Duma and the Executive Committee. The Duma's four cochairmen are G.A. Zyuganov, V.G. Rasputin, P.V. Romanov and A.N. Sterligov.

The chairman of the Executive Committee is A.N. Sterligov. Tel.: 206-87-94, 206-87-92.

Any impartial individual would find much in common in the sociopolitical atmosphere of prerevolutionary Russia of around 1910 and the present, "post-August" Russia. At that time, at the start of the century, we stood our ground and revived.

Despite the horrors of the Stalin terror, the people strengthened our motherland and defended its independence in the encounter with fascism. The people's labor turned the USSR into a great world power, which only the treachery of the upper stratum of power could break. August 1991 passed. And once again the Russian familiar with history, sees everywhere those same methods of deception of the people.

The mass media are spitting on our whole past and implanting values and ideals alien to Russian people. It is sufficient to recall the vile campaign of defamation of the Army and the mocking articles discrediting our national heroes who gave their lives in the fight against fascism. Judging by the broadcasts of Russian television,

Magnitka [the Magnitogorsk Steel Plant] and the Dneproges [the Dniepr Hydroelectric Plant] were built not thanks to the enthusiasm of the people, but merely by the labor of prisoners; and Moscow was not given up to the enemy in 1941 thanks to American and British aircraft.

It is rare that Orthodox pastors and Russian writers can be seen on today's "blue" television screens. But something satanic—every day, virtually.

As if at the waving of a magic wand, the liquor shortage has in the past year vanished. Mass drunkenness is now being implanted "beneath the dressing" of free trade. Strong liquor has now become more accessible to all groups of the populace, minors included. In the past year vodka has become several times cheaper relative to bread. The majority of the population of the country is becoming indigent. Under the heavy burden of inflation, people no longer have any time to think about the future, about healthy posterity.

Thus is our national self-consciousness being destroyed and our gene pool being undermined.

Practically nothing is being done to halt the disintegration of Russia. On the contrary, in the socioeconomic sphere ever more authority is being transferred to the local organs of power and administration on the decorous pretext of a "shift of the center of gravity" of the economic reforms to the localities. The psychological onslaught on the highest organ of legislative authority of the country is intensifying simultaneously—sometimes by way of ill-concealed insults on various television "shows," sometimes by means of the organization of a referendum on the issue of private ownership of the land.

Inventions concerning "resistance to the reforms" of concealed "partocrats" are being repeated over and over.

Thus is our statehood and power being destroyed.

Outdoors it is the start of winter, which has come after a fall of unrealized promises from the country's highest officials. The time "to count the chickens" has come.

Hyperinflation, the pace of which amounted to 30-50 percent in the last months of 1992, is fraught with the danger of the total paralysis of the Russian economy in the immediate future, even.

The so-called "economic reform" has essentially been reduced to the accomplishment of two main tasks: the transfer of state fixed capital to private hands and the introduction of private ownership of the land, to the right to mortgage the land to the banks.

Now people who have no special economic training realize that the industrial enterprises, on account of the disarray in the financial system, the hyperinflation and the "marketing crisis," await mass bankruptcy. Their fixed capital will, after this, be transferred to those who have hard currency—foreigners. Lest it cost them too

much to buy up Russian industry, an inordinately low price of the ruble in relation to the dollar is being artificially maintained.

The economic plunder of as yet operating kolkhozes and sovkhozes and the demand of the "democrats," avid for Russian land, for the unchecked and unlimited purchase of the land are being substituted for the real problems of agrarian reform. Practically nothing is being done for the rapid development of the private peasant farms. Upon a private owner's obtaining a loan, the land will be mortgaged to the bank and will then pass to the ownership of banks controlled by world capital.

Thus is Russia's economic potential being destroyed and famine gradually being prepared.

In the attempts to resolve the conflict with Chechnya, we are being pushed into a war in the Caucasus, and the conditions for civil war in Russia are being created.

The new "democrats" are tossing the people new chimeras and new inventions and promises of a swift replete market "tomorrow." The "Factories to the Workers" slogan has been replaced by the latest deception of ordinary people: privatization and the universal "voucherization," although both the vouchers and the privatization mechanisms serve only the purposes of taking away from the toiling person property created by several generations of our compatriots.

What can we Russian people counterpose to the furious onslaught of those who are thirsting for a redistribution of the wealth of our motherland and the destruction of our statehood? What forces oppose them?

On one flank we see the Working Russia workers' movement and the continuing (albeit in weakened form) organizations of the former Communist Party.

In the "center"—the parliamentary opposition, with a not entirely clearly formulated concept of Russia's statehood and future. It is possible that our members of parliament from several dozen constitutional democrats and Christian democrats intend to tackle this task via a constituent assembly, about which the "democrats," headed by G. Popov, are speaking.

Their primordial predisposition toward a constituent assembly is understandable—it was the Constituent Assembly which initiated the destruction of the Russian state. But what, in this case, have they to do with the "opposition of the right"?

On the other—right—flank is the national-patriotic movement, the Russian National Assembly included.

Russia's appearance as a separate, independent state and the abolition of the USSR occurred quite recently. For the mass of Russian people, the process of rethinking their identification, away from "Soviet" to "Russian" proper, has only just begun and will continue for some time yet, but there is no doubt as to its final results.

The nationalism of the Russian population of the Russian republics, krays, and oblasts is today taking only its first steps. In the next year or two it will become a serious political force. This force will be the more significant, the further the "reformers" go in the realization of their reforms in a non-Russian version.

A most important factor used by the participants in the Democratic Russia movement in the destruction of the country was the nationalism of the "titular" peoples of the former republics. But if the nationalism of the Lithuanians, Latvians, Estonians, Moldavians, Georgians, and others was so beloved of the gentlemen "democrats," they will now have to respect Russian nationalism also and come to terms with the national-state interests of the Russians.

Favorites are via the media hastening to intimidate the peoples of Russia with Russian nationalism. We need to respond to this with statements of Russian philosophical thought. As we all know, I.A. Ilin believed that "health" cannot be forbidden the popular organism—it will make its way through to it at any price; the sense of their own spiritual dignity cannot be extinguished in the people—these attempts will only prompt them to new recognition and new strength.

The truth is that the Russian people, performing its predestined role of backbone of Russian statehood, was never a colonizer and exploiter of the other peoples of Russia. Historical experience shows that the fundamental interests of the Russian people and the other peoples of Russia are organically combined. For this reason, the national-state interests of Russia are by no means the interests of the Russian people alone, but the interests, coinciding with them to a large extent, of all the peoples inhabiting it.

Russia needs to find anew for itself its own particular form of statehood, which corresponds to Russia's national historical characteristics. The calls for the preservation of democracy and presidential power in their "Western" versions are naive. The unsuitability of the institution of the presidency for the Russian state has already been demonstrated in Georgia and Tajikistan. In Russia, the president is either incapable of taking charge of the situation and is not aware of what is really going on, or he recognizes that, together with his team, he is undertaking the destruction of our motherland to the plaudits of the "world community." In either case, the presidency in Russia is a frivolous aping of a state structure.

The state should be an authoritative-imperious organization, but by no means a state of presidents, mayors, prefects, subprefects, and such.

The Russian National Assembly movement arose as a consequence of the need to defend the interests of Russians, to defend their statehood.

The Russian National Assembly is prepared to offer the peoples of Russia a program of Russia's transformation

and to assume responsibility for the country's extrication from the crisis—the most dangerous in our history.

The movement has formed structures and regional organizations, and it is ready to participate in campaigns pertaining to the election of authorities of all levels.

It will in the next few days begin publication of the newspaper RUSSKIY SOBOR—the organ of the Russian National Assembly Duma.

The movement is supported by broad strata of the Russian people—the Cossacks, nationally oriented entrepreneurs, and the scientific and liberal arts intelligentsia.

We call on the deputies who are our supporters to unite in a faction or bloc championing the goals of Russia's national-patriotic movement.

We believe that all patriots of our multinational motherland will unite, will prevent the perdition of Russia in new bloody sedition, and will save the fatherland from bondage.

Struggle Over Law on Government Chronicled

934C0727A Moscow FEDERATSIYA in Russian
5 Jan 93 p 1

[Article by Yelyena Afanasyeva: "Who Is Running the Government?"]

[Text] Who indeed? For several months running, beginning with the time of the Congress of People's Deputies of Russia, this question, which regulates the activity of the Government of the Russian Federation and the interaction with, or more precisely accountability to the Supreme Soviet and the Congress of the Cabinet of Ministers—this question has been the most ticklish one in the "clashes" between the two branches of power. The legislative authorities did not want to release the levers of control, while the executive authority, and especially the President, was not eager to allow these levers to remain in the hands of the parliamentarians.

The draft Law on the Council of Ministers first became a sensation in unofficial conversations in the lobby at the 6th Congress of People's Deputies last April, and at that time hardly anyone thought it could pass. According to this draft the parliament could in no way, or had virtually no power to, influence the affairs of the Government; and, whether it confirmed the head of the cabinet or not, could not poke its nose into "operational questions," nor call the ministers on the carpet; the moreso since the Supreme Soviet of the Union and the Supreme Soviet of Russia had spent the first two years learning about procedure. This ability to summon people to give account evidently gave most offense to the members of the cabinet; for that draft specifically stipulated who, and how many times, for how many months, parliament has the right to require someone to appear before it. For example, should some kind of armed

conflict arise, the parliament would not be able to summon the minister of defense, if he had reported to it a week before... Articles of the draft law which had originated in the very Cabinet of Ministers itself, in accordance with which the congress would have had to confirm the prime minister upon representation of the President, were clearly not passable as well. Nor could the parliament which had already experienced the delights of such agreements and approvals, approve such an article. On the other hand, the Gaydar government which existed at that time had not been confirmed by anyone at all—all of them were appointed by the President, making use of his additional powers. This fact demonstrated to the Supreme Soviet the danger; for it looks as if the executive authority will be formed without its participation at all.

The first "government" version, naturally, did not pass the Supreme Soviet. The White House found its own versions, and "the process passed." A process of agreement and settlement. Vladimir Shumeyko, appointed to the Government at that time virtually by request of the Congress, was dispatched right back to the Supreme Soviet to represent the interests of the President during examination of this law.

But not everyone wanted the interests to coincide, and did not want the conflicts between the two branches of power to be settled... Half a year was spent on settlement and coordination of interests. On the eve of the 7th Congress of People's Deputies the crisis surrounding the Law on the Government sprang up with new force. And the Supreme Soviet adopted the law. Not in the extreme form which he himself [Shumeyko?] would have liked (They settled it!), but neither in the form which the President would have arranged for it (Did they not shake it up enough?). The President sensed their mistrust—the Supreme Soviet wishes to confirm half the cabinet, and did not agree with the formula, "the President appoints, upon presentation of the Chairman of the Government..." The President sensed a limitation of his powers—the law which was adopted in no way defined the President as the head of the executive powers. And perhaps the President sensed something else as well..

On the eve of the congress, having already exhausted his additional powers and not having the right to form a Government independently, the President nevertheless did not sign the law which was adopted, and returned it for further examination. It seems that he returned it with a statement that he would not submit a candidate for premier to the congress until this law was passed.

But neither the bombast nor the passion moved the congress; the President offered a candidate for premier not once, but twice, and the congress approved one of them. It would seem that there was not all that much left to argue about.

In mid-December the President had summoned up arguments for five amendments, which would one way or

another strengthen his position vis-a-vis the Government, and which strove to wrest the Cabinet of Ministers from the strict control of the Supreme Soviet.

I suppose there would not have been such serious interest in the examination of these amendments in the Supreme Soviet on 22 December, had it not been for two additional circumstances: the examination of the law coincided with the unceasing gossip about the new make-up of the cabinet; in addition, now the President's interests and the interests of this law, in the Supreme Soviet in particular, were defended by a lawful representative—Premier Viktor Chernomyrdin.

In terms of the second circumstance, observers have a variety of opinions. Some of them believed that they saw before them a man who is worthy to be the head of the executive authority, or at the very least a man who had shown himself to be such; a man one who is capable of defending his own interests, and to come to compromise; a man who would be sufficiently acceptable to everyone in the given situation. But other observers noted, apart from their confidence in the Premier, a strange kind of inconsistency in his behavior—which can be explained by nothing less than the beginning of a dispute between Viktor Chernomyrdin and Supreme Soviet Deputy Chairman Yuriy Voronin, regarding the present status of the Government, wherein no one understood whether the previous Government would remain (and only the premier be replaced); or, whether the Government would carry out its technical functions until a new cabinet could be named...

One way or another the second examination of the law, or to put it more precisely, the President's amendments to it, led to a finale—or halfway. The Supreme Soviet did not want to once again specify in this law the supremacy of the President over the executive powers, and considered those clarifications which were in the first version sufficient. After extended explanation by Mikhail Mityukov, chairman of the Committee on Legislation at the RF Supreme Soviet, the parliamentarians made certain legal formulations more precise, but very nearly voted down the will of the congress, or more precisely very nearly imposed their own will on it. The well-known Presidential amendment adopted at the Congress on approval by the Supreme Soviet of the "powerful ministers"—the minister of security, minister of defense, minister of internal affairs, and minister of foreign affairs—was submitted this time too as an amendment to the law on the Council of Ministers. But the deputies for the first time voted against it, and did not want to take leave of the previous formulation of this article, where the Supreme Soviet retained the right to confirm not only the ministers named, but also all the vice-premiers, and the ministers of the economy, justice and press, the chairman of Goskomimushchestvo [State Property Committee], and others.

Thus the presidential and congressional amendments would still not have been adopted had not Supreme Soviet Deputy Chairman Nikolay Ryabov displayed his

legal acumen, and had not explained to the parliamentarians that if they insisted on the formulation of the amendments alone they could lose the entire law. If a law is not approved after the second return by the President, then in accordance with the rules it is necessary to formally prepare a new draft law; and then the President—formally—once again receives the right to reject it. And if the basic amendments are not adopted today, then—formally—the President is obliged to sign the re-examined law within a three-day period.

And so quality was sacrificed. The amendment was adopted. They voted for the entire law with the amendments as a whole. And they got stuck on a new resolution on putting the law into effect. More precisely, they decided to put off the introduction of the law until 12 April, the day which had been set aside as referendum day. The confusion upon argumentation of this decision was enormous—from the fact that in accordance with the will of the Congress, prior to the referendum the Government was not to have the right of legislative initiative, and this law gives such a right until the constitutional amendments must be put into effect, and at that time the law must be introduced as well. I will not be surprised if this decision is soon revoked; and, as it was shown to me, the majority of the deputies did not even understand why they had to vote for this.

In a word, they had a talk, they discussed it, they disputed over it and...they went off in all directions for the Christmas holidays. And they left their constituents to meditate at their holiday tables about just who is running our Government anyway, and what kind of Government is ruling us...

Regions' Assumption of Legislative Initiative Viewed

934C0652A Moscow ROSSIYSKAYA GAZETA
in Russian 31 Dec 92 p 13

[Unattributed report: "Single Legal Space"]

[Text] Mention should be made of the increased role of the subjects of the Federation in bill-drafting work. They have forwarded practically all draft laws for an opinion. Availing themselves of their right to legislative initiative, the organs of representative power of all levels have presented to the Supreme Soviet proposals concerning the elaboration of this instrument or the other. These include the Krasnoyarsk "Economic Status of Areas of the Far North," the Yamalo-Nenets "The Atmosphere," the Mari El and Novosibirsk "Property Liability of Medical Employees and Organizations for the Nondischarge or Improper Discharge of Their Professional Duties," the Bashkortostan "Private Medicine," and the Novosibirsk "Youth and Children's Associations." All these drafts are currently in commissions and committees for study.

The unions are gradually emerging from "hibernation" also and beginning to realize in practice their constitutional right to participate in state life. Thus the Federation of Independent Trade Unions of Russia has presented the draft law "Compensation for Impairment of Health From Environmental Pollution." The law will be examined by the Supreme Soviet also.

It is sufficient to say that the Legal Department received for expert evaluation from the commissions and committees 63 drafts in October, and in November, 92. There were among these also those which will be forwarded for discussion to the Supreme Soviet at the start of 1993 even. These are the draft laws "Copyright and Associated Rights," "The Transfer Note and the Note of Hand," "Audit Activity," "Appeal to a Court of Law Against the Actions of State Authorities, Public Organizations, and Officials Violating the Rights and Liberties of the Citizens," "Charitable Activity," "Social Services for Elderly Citizens and the Handicapped" and others.

The Supreme Soviet is by its work gradually creating a single legal space of Russia.

Supreme Soviet Decree on Situation in North Caucasus

935D0232A Moscow ROSSIYSKAYA GAZETA
in Russian 9 Jan 93 p 5

[Russian Federation Supreme Soviet decree, "On the Course of Fulfillment of the Russian Federation Supreme Soviet Decree, 'On the Situation in the North Caucasus in Connection With the Events in Abkhaziya' dated 25 September 1992," signed by Russian Federation Supreme Soviet Chairman R. I. Khasbulatov in Moscow on 25 December 1992]

[Text] The Russian Federation Supreme Soviet concludes with deep regret that the measures adopted by the Russian leadership and the conflicting sides for regulating the conflict in Abkhaziya have not yet yielded the necessary results.

The exacerbation of the situation in Abkhazia, associated primarily with the death of a large group of citizens, mainly women and children, on the helicopter shot down by the terrorists, motivates the Russian Federation Supreme Soviet to return to a review of the conflict in this region, where the interests of the Russian side are also involved.

The Georgian side has grossly violated the achieved agreements on the legal status of the presence of Russian Federation military formations on the territory of the Republic of Georgia.

The peacemaking efforts of the contingent of the Russian Federation Armed Forces, which are aiding in the provision of safety of the population and the stable functioning of industry and transport in the demilitarized zone of the conflict, have not been supported. This has made it impossible to utilize in full measure their potential for fulfilling the specified tasks.

Announcing its adherence to the non-application of force by either of the conflicting sides and striving toward the peaceful regulation of the conflict, and for purposes of protecting the interests of the Russian Federation, its Armed Forces and citizens, the Russian Federation Supreme Soviet hereby decrees:

1. That the Russian Federation President and the Russian Federation Government shall:

intensify efforts directed at an immediate cease fire in the zone of conflict and dispersement of the armed formations of the opposing sides;

in accordance with the standards of international law, ensure the protection of the civilian population, primarily women and children, in the zone of conflict;

continue giving humanitarian aid to the population which has suffered in the course of the conflict, including with utilization of the capacities of the international community for giving aid to refugees from the zone of conflict, and if necessary implementing the evacuation of the civilian population;

take measures to prevent penetration of unlawful militarized formations and supply of weapons to the zone of conflict.

2. To recommend to the Russian Federation President that he assign the Russian Federation Minister of Defense the task of taking adequate response actions in regard to the terrorist groups and their bases in case of a repeat attack on humanitarian transport.

3. That the Russian Federation Ministry of Foreign Affairs shall bring to the attention of the UN and CSCE [Council for Security and Cooperation in Europe] information on the actions of terrorist groups against Russian transport means evacuating refugees, as well as about cases of attack on Russian military units, and about the position of Georgia's leadership in regard to these incidents.

4. The Russian Federation Supreme Soviet insists that the leadership of the Republic of Georgia shall bring to responsibility the persons guilty of committing terrorist acts. The Russian Federation Prosecutor General shall inform the Russian Federation Supreme Soviet about implementing the appropriate measures in conjunction with the Georgian side.

5. The Russian Federation Government shall submit to the Russian Federation Supreme Soviet proposals on possible sanctions in regard to Georgia in case the Georgian side refuses to take measures to ensure the safety of Russian Federation citizens and property on the territory of the Republic of Georgia.

[Signed] Russian Federation Supreme Soviet Chairman R. I. Khasbulatov
Moscow, Russian House of Soviets
25 December 1992
No. 4243-1.

Decree on Review of Law on Private Plots

935D0232B Moscow ROSSIYSKIYE VESTI in Russian
14 Jan 93 p 6

[Russian Federation Supreme Soviet decree: "On Repeat Review of the Russian Federation Law, 'On the Right of Russian Federation Citizens To Receive Land Plots for Private Ownership and Sale for the Purpose of Conducting Personal Subsidiary and Dacha Farming, Gardening and Individual Housing Construction'," signed by Russian Federation Supreme Soviet Chairman R. I. Khasbulatov in Moscow on 23 December 1992]

[Text] Having once again reviewed the Russian Federation law, "On the Right of Russian Federation Citizens to Receive Land Plots for Private Ownership and Sale For the Purpose of Conducting Personal Subsidiary and Dacha Farming, Gardening and Individual Housing Construction," which had been returned by the Russian Federation President, the Russian Federation Supreme Soviet hereby decrees:

To adopt the Russian Federation law, "On the Right of Russian Federation Citizens to Receive Land Plots for Private Ownership and Sale for the Purpose of Conducting Personal Subsidiary and Dacha Farming, Gardening and Individual Housing Construction," in its new edition, taking into consideration the changes made by the Russian Federation President.

[Signed] Russian Federation Supreme Soviet Chairman R. I. Khasbulatov
Moscow, Russian House of Soviets
23 December 1992
No. 4195-1

Law on Private Use of Land

935D0232C Moscow ROSSIYSKIYE VESTI in Russian
14 Jan 93 p 6

[Russian Federation law: "On the Right of Russian Federation Citizens To Obtain Land Plots for Private Ownership and Sale for the Purpose of Conducting Personal Subsidiary and Dacha Farming, Gardening and Individual Housing Construction," signed by Russian Federation President B. Yeltsin on 23 December 1992 in Moscow]

[Text] **Article 1.** The transfer of land plots for conducting personal subsidiary and dacha farming, gardening, and individual housing construction, as well as for individual residential houses and farm structures, for private ownership of citizens in cities, settlements and rural areas shall be implemented in accordance with the land legislation of the Russian Federation and the republics within the make-up of the Russian Federation, and with the present law.

Citizens who have received land plots for private ownership for the purposes specified in part one of the present article shall be granted the right to sell them to other Russian Federation citizens, regardless of the times of acquisition of the right of ownership on the land plots being sold, within the limits of the standards for granting land plots.

The use by an owner of an acquired land plot for a purpose other than that specified is prohibited, unless otherwise established by law.

Citizens who at the moment the present law goes into effect have land plots whose size exceeds the maximal standards, in all cases retain their lifetime inheritable ownership or use of the part of the land plot which exceeds the established marginal standards. In this case, citizens are to be granted the right to acquire the given part of the land plot for private ownership at the contractual price from the local Soviet of People's Deputies.

Article 2. The sale of a land plot for the purposes specified in Article 1 of the present law shall be performed by its owner independently, by means of agreement with the buyer or with the aid of the rayon (city) committee on land resources and land management, by means of holding a competition or auction in the established order.

The agreement of purchase-sale (deed of purchase) of the land plot is subject to notarial verification and registration with the appropriate committee on land resources and land management.

The form of the standard agreement of purchase-sale (deed of purchase) of the land plot is approved by the Russian Federation Committee on Land Resources and Land Management.

[Signed] Russian Federation President B. Yeltsin
Moscow, Russian House of Soviets
23 December 1992
No. 4198-1

Decree on Fulfillment of Law on Private Use of Land

935D0232D Moscow ROSSIYSKIYE VESTI in Russian
14 Jan 93 p 6

[Russian Federation Supreme Soviet decree: "On the Procedure for Implementing the Russian Federation Law, 'On the Right of Russian Federation Citizens To Obtain Land Plots for Private Ownership and Sale for the Purpose of Conducting Personal Subsidiary and Dacha Farming, Gardening and Individual Housing Construction,'" signed by Russian Federation Supreme Soviet Chairman R. I. Khasbulatov in Moscow on 23 December 1992]

[Text] The Russian Federation Supreme Soviet hereby decrees:

1. To implement the Russian Federation law, "On the Right of Russian Federation Citizens To Obtain Land Plots for Private Ownership and Sale for the Purpose of Conducting Personal Subsidiary and Dacha Farming, Gardening and Individual Housing Construction," effective from the moment of its publication.

2. To establish that henceforth, until the Russian Federation legislation is brought into line with the Russian Federation law, "On the Right of Russian Federation Citizens To Obtain Land Plots for Private Ownership and Sale for the Purpose of Conducting Personal Subsidiary and Dacha Farming, Gardening and Individual Housing Construction," the Russian Federation legislation is applied to the degree that it does not contradict the indicated law.

3. To propose to the Russian Federation President that he assign the Russian Federation Government, prior to 1 February 1993, the task of:

developing the procedure for purchase and sale of land plots by citizens of the Russian Federation for the indicated purposes;

in accordance with the established procedure, presenting proposals to the Russian Federation Supreme Soviet on bringing the legislative statutes of the Russian Federation into line with the indicated law;

bringing the decisions of the Russian Federation Government into line with the indicated law.

4. To focus the attention of the Russian Federation President on the Russian Federation Government's unacceptably slow implementation of land reform in the Russian Federation.

[Signed] Russian Federation Supreme Soviet Chairman
R. I. Khasbulatov
Moscow, Russian House of Soviets
23 December 1992
No. 4197-1

Security, Internal Affairs Officials Discuss Corruption

934C0688A Moscow ROSSIYSKIYE VESTI in Russian
30 Dec 92 p 2

[Article by Sergey Ovsienko: "1,168 Officials Have Violated the Edict, but One in Four Has Been Relieved From His Position"]

[Text] The presidential edict on combating corruption has been the focus of attention for participants in a joint meeting of the MVD [Ministry of Internal Affairs] and the Ministry of Security.

The MVD and the Ministry of Security—the instruments of presidential power, the "coercive" ministries—have embarked on a quite complicated effort to carry out the Edict on Combating Corruption. As I see it, it is complicated because the struggle targets functionaries of

state power whose power (pardon the pun) has been unlimited in Russia since time immemorial. In the very short time since the edict has been implemented, the ministries have produced the following results: One thousand three hundred thirty-one criminal lawsuits have been brought against corrupt officials; almost 400 individuals from the power structure who had connections to organized crime groups have been uncovered.... According to data from the press service of the MVD, about 3,000 cases of bribery were discovered this year, as well as 5,000 cases of theft on a large and extremely large scale; 1,168 officials have violated the edict, but [only] one in four has been relieved from his position.

I would not be in a hurry to evaluate this effort favorably (or, for that matter, unfavorably). Only an insignificant stratum of the corrupt community of officials has been exposed. We may dig deeper and more effectively only if we proceed from laws. Unfortunately, there are no laws on state service. Since there are none, the adoption of legislative acts on corruption, lobbying, and so on is delayed.

Despite the requirements of the edict, executive functionaries of the state apparatus continue to engage in entrepreneurial activities in many republics, krais, and oblasts. The practice of local soviets and administrations participating as cofounders in commercial structures is spreading. Corrupt structures have organized unprecedented abuses in the banking sphere, the massive theft of weapons and strategic raw materials, and the smuggling of metal out of the republic....

Charges are being filed against the chief of the department of land contracts of the Moscow Committee for the Management of State Assets, who facilitated the transfer of parcels of land under leases for a bribe of 23,000 German marks and U.S. \$2,000. Criminal charges have been filed against the director of the Pskov aviation enterprise who provided gasoline to an Estonian company for bribes. The chief of the Pytalovo railway station in Pskov Oblast facilitated the exportation of about 180 [tank] cars with motor fuel, for which he was given a Zhiguli car and 300,000 rubles [R]. A deputy head of the administration of the oblast and the head of a rayon administration took an active part in this.

Banking has become crime-infested. In the course of an investigation of 110 criminal cases involving the theft of more than R150 billion through the use of false credit advise notes, it has been established that one case in five is associated with the venality of bank employees.

There is one thing that both the MVD and the Ministry of Security want: not to have their hands tied in combating corruption because of the absence of laws.

Belgorod Admin Head on Local Private Enterprise
934C0688B Moscow ROSSIYSKAYA GAZETA
in Russian 24 Dec 92 p 4

[Interview with V.I. Berestovoy, head of the State Administration of Belgorod Oblast, by Ivan Podsvirov;

place and date not given: "'It Is Time To Gather Stones Together,' Says Viktor Berestovoy, Head of the Oblast Administration"]

[Text] [Podsvirov] Viktor Ivanovich, the mass media sometimes call Belgorod Oblast a conservative one. What is this supposed to mean? Is this conservatism in the sense of the continuity of tradition, the desire to preserve and multiply the economic, organizational, technical, and finally, spiritual and moral potential which has been accumulated for many years?

[Berestovoy] Precisely. A healthy conservatism is useful in the economy, in the course of implementing reforms and democratic transformations. This sounds paradoxical, but it is true. We believed, and still believe, that we should use the fruits of what we have accomplished as much as possible in order to proceed further and change something. Moreover, acceleration and haste are contraindicated for genuine advancement toward market relations. Effective changes are impossible without taking regional and, if you will, ethnic peculiarities into account.

As is known, our oblast has not only powerful industrial potential, but also agricultural potential. Our rural areas have become profoundly specialized; large combines for producing the output of animal husbandry were built. Most importantly, experienced cadres of managers and specialists were trained. The success of any reform ultimately hinges on them. This is why it is unwise to squander specialists, to neglect their experience, and to "heckle" them in order to accommodate particular political trends. On the contrary, it is time to gather stones together.

[Podsvirov] What have you succeeded in doing recently?

[Berestovoy] The severance of economic relations is a very painful issue. After all, these relations emerged over decades. Having anticipated the unfavorable consequences of this process, we took a number of preventive measures in the oblast. The committee for interregional relations, which was established, tried to mitigate the severance of relations between the enterprises of Belgorod Oblast and other oblasts and republics. This ensured the stability of production operations to a degree. When an insolvency crisis developed in the country, we were the first to administer an intra-oblast, interbank clearance, although the government and the Central Bank of the Russian Federation had not yet embarked on this by then. The privatization of enterprises did not catch us by surprise either. Many collectives had come to appreciate the appeal of independence earlier by switching to leasing. In a word, we did not have to hurry anyone along or work on command-administrative "acceleration." We use the method of persuasion. Together with specialists from the State Committee for the Management of State Assets, we explain the essence of privatization and its forms, and develop pertinent documents. Of 1,080 enterprises scheduled for privatization in the program, 590 have

been sold by now. Seven hundred and fourteen requests have been submitted. Proceeds from privatization amounting to 700 million rubles [R] have been taken in.

[Podsvirov] Viktor Ivanovich, which sectors have managed to withstand the current crisis situation and to maintain, at the very least, relative stability?

[Berestovoy] As I see it, the working people of rural areas deserve special praise. Nobody is urging them on, as used to be the case, but they give the work their all. For example, work was in full swing in the beet fields around the clock. The results were also good at livestock breeding combines. Weight gains there are higher by a factor of two; the input of labor is several times lower, and the production-cost is lower by a factor of two. However, this is absurd: The best farms are finding themselves in the worst situation, because livestock breeding is unprofitable in Russia. The number of cattle is diminishing. If there are fewer cattle, there will be less fertilizer. Yields will drop, and crop farming will decline. After all, everything is interconnected. We cannot ignore the emerging retrogression. We need immediately to rescue the sector and to establish parity of prices for the products of livestock breeding and crop farming.

Nonetheless, we try to "survive." We mostly emphasize production, the prevention of its decline. In view of the quite intensive construction of private housing, dachas, and cottages, enterprises are boosting the output of construction materials for walls and bricks. The output of consumer goods is also growing. Thus, the automotive and tractor equipment plant manufactures the Malyutka washing machine, which is in great demand. The collective of the radio instrument plant also got its bearings in time.

The largest enterprises of the oblast—the Belgorod Metal Element Plant, the Lebedinskiy and Stoylenskiy Mining and Enrichment Combines, and the Oskol Metallurgical Combine—are displaying initiative. Along with the main line of production—the manufacturing of metal section products and the sale of raw materials in the domestic and foreign markets, these collectives are engaged in the construction of auxiliary shops and enterprises processing agricultural products.

One factor stabilizing the main line of production is, undoubtedly, positive, including private, entrepreneurship, which is based on economic gains and is prompted by concern with the social protection of labor collectives and the availability of commonly used goods and food-stuffs to them. Unlike parasitism and speculation, such entrepreneurship improves the vitality of enterprises through self-supply and multifaceted operations in the market. In general, I believe that the time has come to grant the state priority status for the development of manufacturing entrepreneurship.

[Podsvirov] How does all of that influence the incomes of the population?

[Berestovoy] Statistical data indicate that the per capita monetary income in the oblast is greater than the nationwide statistic for Russia. For example, in September, it came to R4,358, whereas in the Russian Federation—R4,182. In terms of income, we are ahead of Voronezh, Kursk, Lipetsk, and Tambov Oblasts. In January through August, the citizens of Belgorod Oblast also ensured the greatest profits among the oblasts of the Central Chernozem Region. The profits came to R29 billion, whereas in Voronezh Oblast—R20.9 billion. According to data for 1 September and 1 October, there were 431 retail trade outlets and 119 public catering facilities which had been granted the status of legal entities. Ninety-nine retail trade and public catering facilities had been privatized, and 359 petitions to privatize had been filed.

The privatization process is irreversible. The freedom of trade is unavoidable. However, having seen how it is being actually implemented at times, we understood that adjustments had to be made in a timely manner. That speculators drive up prices for goods in short supply, say, tobacco products, by several times just a step away from the stores is an outrage! Arbitrariness in price setting prevails everywhere; real speculation blooms. This means that there should be certain confines, economic limits. Control organs and the tax inspectorate should be in operation.

[Podsvirov] Viktor Ivanovich, our conversation has perhaps reached the main point. Such complaints cannot be resolved at the local level because they run into imperfections in the adopted laws and directives. We would like to learn from you in your capacity as governor of the oblast and as a people's deputy of Russia, on what "hot" issues you expect radical measures to be taken by the Supreme Soviet and the government.

[Berestovoy] Our economy is going through a crisis. The disintegration of economic relations aggravates interethnic and interstate relations in the nearby foreign countries. This is why this is no time for politicking, splitting our society into the "left" and the "right," the "Red brownshirts" and the "Whites." It is much more important to come to an agreement and to embark on mundane endeavors.

The issue of enterprise insolvency should be resolved first. Certain steps have already been made, but they are insufficient.

In carrying out reforms, we should approach in a more balanced way the manner in which particular government decisions influence the living standards of various categories of the population. The spread of incomes is too great here. In September, wages in the industrial sector of the oblast came to R8,500. However, this is an average. There are enterprises at which it comes to between R20,000 and R25,000. Is it normal for managers at the same level and with the same qualifications to be paid with a range like this: One is paid R10,000,

and the other—R100,000? It is time to introduce progressive taxation, in order to control excessive appetites. Do not get me wrong; I am not calling for wage leveling. Nonetheless, I will recall that the average wage of employees in the sector financed from the budget does not exceed R3,500. Cultural personalities, physicians, teachers, and employees of the management organs are facing a difficult situation. Of course, we tried to cushion a severe blow dealt to the employees of education and health care; in addition to their earnings, we allocated to them one or two monthly wages. In addition, we introduced target-oriented protections for low-income citizens, despite the potential of our budget's being extremely limited. Government decisions are needed in this matter. Social protection should become a thoroughly balanced state policy rather than a policy of Belgorod, Kursk, or Tambov.

Recently, I read the following, and it struck me: Forty percent of the territories of the Russian Federation do not transfer the full amount of taxes to the republic budget. This is, after all, a path leading to the disintegration of Russia and to interethnic complications. I believe that the president should issue an edict according to which those guilty of failing to pay taxes would be held accountable immediately.

I will not pass in silence over bread, either. They say that bread is politics. However, are we necessarily mindful of this as we boundlessly drive up its price? Bread cannot be cheap or excessively expensive. It should cost precisely in line with the input of labor in it. At any rate, bread prices should be regulated within zones. Look at milk, cottage cheese, and kefir. These are the main foods for retirees and children, and I believe that in this instance, we cannot do without a state subsidy. This is what most people think, and I believe correctly.

[Podsvirov] Viktor Ivanovich, you are closer to life; as the saying goes, you know things better locally. Tell us whether the government always responds to information and inquiries from the oblast administration. Has feedback been established from the center?

[Berestovoy] I think that so far, there has been no effective, consistent cooperation between the government and regional administrations. An adequate response to our proposals is likewise absent. Here is a disturbing fact. The herd of cattle has now begun to drop all over Russia. To what levels is this permissible? Nobody will give you an answer.... In view of the reduction of the dairy herd in the republic, our oblast has been forced, this year, to deliver beyond its borders up to 70 percent of the milk it produces. As a result, the local population suffers. Fine, we will make do somehow and improve the situation. However, how do they intend to restore the dairy herd in Russia? This will require five to six years of an intensive, expert effort.

The issues I have raised bear no delay. If they are resolved, reforms will move ahead. To this end, a confrontation between the two branches of power, legislative

and executive power, should be overcome. I hope for the best outcome. If unity is restored, the people will become confident of their own strength. Here, in our oblast, success will also be more tangible in this case.

Role of Military Collegium in Investigation of Coup Case Viewed

934C0669A Moscow IZVESTIYA in Russian 5 Jan 92
Morning Edition p 6

[Interview with Lieutenant General Nikolay Aleksandrovich Petukhov, chairman of the Military Collegium of the Supreme Court of the Russian Federation, by Valeriy Rudnev, IZVESTIYA; place and date not given: "The GKChP Case: 'What Will Be the Decision of the Military Judge?']

[Text] As has already been reported, the Military Collegium of the Supreme Court of Russia has initiated proceedings in the criminal case concerning the attempted coup d'etat in August 1991. An exciting quality is given this decision by the fact that the present staff of Russian military judges was elected back in 1989 by the Supreme Soviet of the USSR under the leadership of Anatoliy Lukyanov. In other words, the judges were voted for by those whom the judges are now preparing to try. The Supreme Soviet of Russia did not change the military justice staff, and it was only in 1992, pending new elections, that it confirmed the powers of the military judges elected by the parliament of the USSR.

A presiding judge was appointed to the GKChP [State Committee for the State of the Emergency] case. He is fifty-three year old Major General Anatoliy Ukolov, who is now studying the investigatory documents (IZVESTIYA No. 275). What decision will he make?

In principle, he has a wide choice before him. The judge can return the case to the procurator general for the conduct of an additional examination. He also has the right to stop the initiation of proceedings in the case or to stop the prosecution of the "GKChP-ists" altogether. Finally, after deciding that the preliminary investigation has gathered enough evidence for an examination of the case, he is obligated to set a date for the beginning of the court session.

But no one knows yet what decision Anatoliy Ukolov will make exactly. Not even his immediate chief, Lieutenant General Nikolay Petukhov, the chairman of the Military Collegium of the Supreme Court of the Russian Federation, who, nevertheless, agreed to answer IZVESTIYA's questions.

[Rudnev] Nikolay Aleksandrovich, why did the GKChP case end up specifically in a military court?

[Petukhov] It is simple: Some of the accused are servicemen who are charged with crimes committed in the performance of official duties. Under such circumstances, criminal cases are examined by military courts. But cases against commanders of divisions and higher

positions, or generals and marshals, according to legislation currently in effect, are heard in the first instance only in the Military Collegium. I am not talking about the fact that cases of special public significance (and the GKChP case has this characteristic) are within the jurisdiction of the Supreme Court of Russia

[Rudnev] But under what rules will the military court examine the GKChP case?

[Petukhov] All of the requirements of the Criminal Procedures Code, which is the same for the entire system of criminal justice, apply fully to military courts. There are no exceptions for us. As for the GKChP case, it will be examined by the usual staff: a presiding judge (about whom you already know) and two people's assessors. However, it is possible that a third assessor, an alternate, will be needed. The case, after all, judging by everything, is a long one.

Incidentally, our assessors are also military people. Twenty people's assessors are elected to the Military Collegium (for eight judges). Among them are colonels and generals of various arms. They are rather experienced and knowledgeable people. It is not known who specifically will participate in the examination of the GKChP case. Some might be engaged in urgent personal or official duties, and others in accordance with the sequence principle have already taken part in the examination of cases of the Military Collegium. In the final analysis, it is not for me to decide, but for Ukolov, the presiding judge in the GKChP case.

[Rudnev] Is there not a certain feeling of tension in the Military Collegium because a minister of defense, albeit a former one, will have to be tried?

[Petukhov] You are referring to the fact that military judges wear shoulder boards, and this means that to a certain degree that they are dependent on marshals and ministers of defense? Believe me, this is not so. The Supreme Soviet elected all of us, including me, to the position of military judge, and our salary is not contingent on the will of the minister. And, indeed, our ranks are conferred on general principles.

It is true that in some countries civilians serve on military courts. And you will say: It is they who are independent. Not a bit. In such cases, the minister of defense appoints the civilian to the position of military judge. He gives him his salary, which is paid out of the military treasury. So that one should judge not by the shoulder boards, but by the essence of military justice and its work. Recall the recently introduced institution of judicial appeal of decisions of the procurator concerning arrest. According to statistics, military judges release every fourth person from custody who appeals a decision of the procurator, and civilian judges—only each twelfth person. I say this in response to the question on independence.

[Rudnev] You are talking about laws. But we are becoming more and more convinced that, according to

the laws written in the 1960's (it was then that the fundamental tenets of today's criminal justice were formulated), it is difficult, and at times impossible, to resolve current legal disputes. In particular, in the opinion of many scholars and practitioners, the construction of Article 64 of the Criminal Code, under which the members of the GKChP are accused, is faulty from the standpoint of judicial technique. Not to mention the political underlying reasons for this article. Or another question—the court always pronounces a bill of indictment, which seems to be associated with the position of the investigation.

[Petukhov] Let us set Article 64 of the Criminal Code aside. On the eve of the examination of the GKChP case, I, as the chairman of the Military Collegium, do not have a right to make judgments on this subject. I do not want to influence Anatoliy Ukolov's decision even indirectly.

But as for the pronouncement by the court of the bill of indictment, then, believe me, this is always only the established tradition of "socialist legality." In the law itself, this kind of an obligation is not placed on the court. The bill of indictment can be pronounced by the procurator himself, or, for example, by the secretary of the court session. As you see, it is not a matter of when the law was written, but our treatment of it. And today, all of the conditions exist for the examination of any case, including the GKChP case, in full compliance with the principles of a rule-of-law state.

[Rudnev] And nevertheless, if the presiding judge decides to start the court trial, when could this happen?

[Petukhov] To designate a court session, the judge must, in particular, answer the following questions: Are there any circumstances that entail a discontinuance or a suspension of the initiation of proceedings in the case? Has evidence been gathered that is sufficient for an examination of the case in a court session? Has a bill of indictment been composed in accordance with the requirements of the Criminal Procedures Code? Is the measure chosen for the appearance of the defendant subject to change or cancellation? Are there any petitions and statements of the defendants, aggrieved persons, or other interested persons in the case? Are they subject to compliance?...

Petitions came in today from V. Starodubtsev about canceling the written statement about recognizance not to leave, from A. Tizyakov—concerning stopping the criminal case, from O. Baklanov—concerning his confrontation with M. Gorbachev. Some are requesting that they be familiarized further with the case. There are also other petitions.... And they all have to be resolved before the beginning of the court trial.

Further, I quote the law: "When the judge comes to the conclusion that all of the requirements of the present code on the guarantee of the civil rights of the citizen who has been charged as a defendant were complied with during inquiry into the case (criminal-procedural—V.R.), and that other obstacles for the examination of the

case in court are absent, he issues a decree on the designation of a court session. At the same time, the judge has the right to exclude from the bill of indictment individual points of the charge or apply the law on the less serious crime...."

As you can see, Ukolov has many concerns. And do not forget that, undoubtedly, the legality of the resolution of individual petitions and the examination of the entire case, in fact, depends on how easily he will orient himself in all 149 volumes and their appendices. So do not hurry the judge.

[Rudnev] The last question. Concerning trial by jury, which was introduced into Russia in 1993. Does it not seem to you that jurors from the people would acquit the members of the GKChP?

[Petukhov] The jury system will be introduced in our country in phases as an alternative to the current judicial system. For the time being, it will not be set up in the Supreme Court of Russia or in our Military Collegium. But who will acquit whom in the GKChP is not for me to decide.

ECONOMIC AND SOCIAL AFFAIRS

Gaydar, Khasbulatov, Saburov Reform Strategies Contrasted

934A0591A Moscow ROSSIYSKIYE VESTI in Russian
4 Jan 93 p 3

[Article by Yuriy Rytov under the rubric "Polemics": "Everybody Is For Reform. Except That Each of the Powers That Be Understand It Differently: And As a Result of Fruitless Discussions and Arguments, the People Suffer"]

[Text]

Instead of an Epigraph

"The thesis that is being foisted on society, that of the alleged struggle for reforms and against them... is primitive propaganda. I am certain that there are opponents of the reforms here, but reforms must have their own logic, and stages; they must be legitimate, with clearly defined goals at each stage. And at each stage there must be, however small, a success." (Ruslan Khasbulatov).

Permit me to disagree with this statement right away. There were indeed opponents of the reforms at the Seventh Congress. There is no point naming them—it is irrelevant.

More important is something else. There are opponents of reform among the people, or, as it was common to call them in the past, among the masses. Yes, precisely among the masses! People ask: Why do we need this reform? Where everybody is out to destroy, but nobody is building anything?

Yes, there is such an opinion among the people. Therefore, it is extremely important to answer this question today: What kind of a better future can we hope for? And when will it come?

Let us look at the programs and program statements of our famous leaders.

Yegor Gaydar: "Returning to Russia its due status of a great power requires the effort of the entire people and constructive cooperation between different political forces, and inevitably involves painful processes in the social and production spheres."

Ruslan Khasbulatov: "We have to finally clearly define the time frame for carrying out our promises. We may not remember the time frame we indicated, but the people remember it very well!"

Yevgeniy Saburov: "The program uses the ideas of different economists; it is a synthesis, and it views the state as an entity that is moving, in a civilized way, from business to the social sphere, leaving behind, to the degree possible, a fixed and cleaned up apartment."

What beautiful, inspired words! But in none of the programs will we find even a hint of how much time the work that is ahead of us will take.

The idea is to get the locomotive going, and then it will move along the track on its own momentum. Except that there turns out to be no track.

That is why the appraisals of the current reform in Russia look so sad.

Yegor Gaydar: "How is the situation now? It is indeed extremely difficult, I would even say critical."

Ruslan Khasbulatov: "A complete failure of the economic policy; an unequivocal conclusion, although, of course, it is sad to have to arrive at it."

Yevgeniy Saburov: "The idea and the levers of administrative management of the economy have been destroyed, while state regulation normal for a market economy has not yet been set up."

So here we are. Even the theoretician and organizer of the market reform that is now being implemented, the man who resolutely started deliberately unpopular measures, is compelled to admit, in essence, that their unpopularity has exceeded all expectations.

So, how to get out of the crisis and at the same time continue the economic reforms?

Let us look at the programs (or program statements) of the aforementioned three leaders. I think it is proper to sum up Gaydar's concept first, for, as is known, things are best understood by comparison.

Yegor Gaydar. In his speech at the Seventh Congress he formulated the basic directions of the reform, along which, in his opinion, it should proceed in the future.

First task: stem inflation. **Second:** revive investment activities. **Third:** form a mechanism for long-term budget-financed credit. **Fourth:** speed up the process of privatization. **Fifth:** regionalization of the reform, moving the center of gravity of all efforts to the localities. Finally, the **sixth task:** a comprehensive strengthening of the social sphere.

It should be noted that Gaydar's attitude toward social problems changed perceptibly during his last month in power. He is already calling for preservation of the structures we inherited from the socialist epoch. In addition, he is setting another task: liquidate the lag in the budget and social sphere as compared with the cost-based industrial sector. The first step in this direction was the transition to a unified rate table, based on a 2,250-ruble minimum wage in the first quarter of 1993.

Well, how then do the opponents of the former acting prime minister see the future development of the reforms?

Ruslan Khasbulatov. Calls for a socially oriented model of a market economy. According to him, it rests on the free coexistence of different forms of property, strong social function of the state, planning by indicators, and forecasts.

"The evolution towards a mixed economy," he stated, "is becoming a worldwide trend, and it would be naive to try to ignore it and try to Americanize our economy. Each form of ownership has its own niche and meets the corresponding needs of society."

On the basis of this fundamental principle, Ruslan Khasbulatov proposes the following practical blueprint for further action. **First:** improve working conditions and the standard of living; development of the consumer sector is the pivotal direction of the intensification of the reform. **Second:** define the ratio of different forms of ownership, which would permit the outline of a mixed economy. **Third:** stop the further decline of industrial production. **Fourth:** stimulate the reforms from "below," from the provinces. **Fifth:** ensure the true priority of agrarian sector development. **Sixth:** form a small business sector. **Seventh:** cooperation between the parliament, the president, and the government. **Eighth:** give priority to domestic interests; combine an "open door" policy with protectionism with respect to domestic firms.

With respect to the methods of achieving these goals, Khasbulatov was very laconic. "Finances, credit, and money are the main levers in implementation of the described system of measures." Concise, but not quite clear. After all, everyone knows that given our slim state purse, substantial investment in the social sphere will completely destroy the financial system, cause an enormous budget deficit, and lead to hyperinflation, whose threshold we are already approaching.

Let us move on to the next program, whose ideas are supported by Civic Union.

Yevgeniy Saburov. **Point one:** return to state administration of enterprises, while envisaging measures to contain inflation, among other things through restrictions on profit. **Point two:** sharply intensify the creation and development of financial institutions that will help to revive investment processes. **Third:** conduct privatization of state production facilities first and foremost through bank loans for effective projects. **Fourth:** realistically liberalize exports, without attempting to change the existing exchange rate of the ruble. **Fifth:** support domestic producers through import duties. **Sixth:** conduct a social policy of targeted protection of the most needy population strata. **Seventh:** change to more effective methods of accumulation and utilization of means in social security, education, health care, and maintenance and utilization of housing. **Eighth:** organize separately and conduct under government supervision the program of defense enterprise conversion. **Ninth:** introduce bills of exchange into circulation and maintain continuous state monitoring of the money supply. **Tenth:** allow corporate capital to participate in privatization through commercial banks. **Eleventh:** implement necessary changes in the system of material supply, storage, processing, and sale of agricultural production. **The twelfth point:** impose a natural tax on enterprises in extraction industries (especially energy sources), while envisaging a gradual decontrol of prices on the share of output retained by producers.

I would like to draw the readers' attention to one very interesting statement in the part of the program dealing with privatization. "The enterprise's management," maintains the program's author, "should be regarded as probable owners who are able to develop the most effective privatization plan and implement it."

What then is left for the labor collective?

"The proposed version of privatization," replies the author, "does not preclude a transfer of some of the stock to the labor collective or its distribution in exchange for people's vouchers. But the controlling share of stock should remain the property of a limited number of identifiable persons responsible for implementation of the privatization project and repayment of the credit received for it."

You would agree that this thesis shows absolutely clearly whose interests precisely the program's author defends...

It is time to move on to conclusions. There now exists an uncountable multitude of anticrisis and market concepts. They are being developed by economists, politicians, and ordinary citizens. Suffice it to say that about 100 programs have been submitted to the parliament alone.

Analyzing their contents, it is easy to notice that they contain three key points. **First:** a concept of methods and means of privatization. **Second:** attitude towards the social sphere. **Third:** an idea of a sequence of stages and pace of reform.

We have already seen that Ruslan Khasbulatov insists on variety with respect to forms of ownership. What is behind this formula? The preservation of a powerful state sector in the economy; rejection of the idea to convert many large enterprises into joint-stock ownership.

Yevgeniy Saburov, as already noted, has his own notion of privatization. He proposes to turn the directors corps into full-fledged owners of production, make them the owners of the means of production, reserving for others the status of hired labor.

In both cases Gaydar's cherished dream—to create a "middle class," to dispense property to ordinary people, to turn them into economically free citizens—is up in the air. A seemingly minor "trifle" fundamentally changes the points of reference and the goals of the reform.

The social sphere. Unlike the "early" Gaydar, in most programs it gets priority placement. Correct and quite fair! However...

As a rule the authors of such programs, while caring so tenderly for the people's well-being, do not combine this postulate with the implementation of other program tasks. A simple example. As is known, during discussion of the 1993 budget the Russian Federation Supreme Soviet made a decision to increase its expense side by 1.3 trillion rubles. Naturally, the greater part of that money is directed to the social sphere. The result? Intensification of budget problems, a sharp increase in the money supply not backed by goods, and a new round of inflation.

Meanwhile in October of last year inflation had already reached 25 percent a month. By world standards the hyperinflation ceiling is considered to be 50 percent. Unfortunately, our statistical service avoids registering these watersheds, so we still do not know in what financial mode we are living.

Thus the social sphere remains a bite that is too big to swallow for the authors of many reformist programs. Populist inclinations to give the people more money immediately result in its devaluation. And if monetary income, for instance, doubles, prices go up twice as fast. How could it be otherwise: The volume of industrial production has declined by 20 percent. An elementary law of economic life: Since there are fewer goods, they cost more. Of course, this is precisely why the main point in many programs is to stem the production decline. We do not see in them reliable prescriptions in this respect, though. Because in the general economic structure, production is inextricably connected with finances, with the people's standard of living, and with many other components that should be considered as parts of the whole.

The new prime minister, Viktor Chernomyrdin, has so far not made his program public. Let us hope, however, that he will be able to untangle all the tangled knots of

economic problems and find a single system-wide solution for three interconnected problems: finances, production, and the social sphere.

Abalkin Assesses Course of Economic Reforms

934A0597A Moscow RABOCHAYA TRIBUNA
in Russian 5 Jan 93 p 2

[Interview with Academician Leonid Abalkin by RABOCHAYA TRIBUNA political observer Aleksandr Krotkov; place and date not given: "Freedom Is Dearer to Me Than Ministerial Office"]

[Text] Six months ago, when Gaydar's team was "diluted" by directors of state-owned enterprises, some analysts hastened to call this the "Abalkinization" of the reform government. Today, when the government is headed by one of those directors, Academician Abalkin's viewpoint on the progress of the reforms is of undoubted interest—especially because the new premier was also a member of the Ryzhkov Council of Ministers.

"Just do not ask," Leonid Ivanovich began the conversation with our observer, "how I personally view Chernomyrdin and do not ask me to compare him with Gaydar. For me the question of the actual personalities at the head of the state is of tertiary significance. I give pride of place today to the achievement of the accord of the main social and political forces in the formulation of the strategic tasks of the reform. And only then on the strength of a particular program should a government of national accord headed by a premier, who becomes its executant, be formed.

"But the elections that were held at the Congress took place for the umpteenth time in accordance with the 'people, believe me!' principle. There is a leader, but no program. I am by no means venturing to maintain that the new program will be worse or better than the old one. I am dissatisfied by the principle of the choice of national path turned upside down."

[Krotkov] Yet this is how the choice is made in the majority of civilized countries—partly, evidently, to save time: Instead of arguing long and tediously over all the ingredients of the economic "menu" comprehensible only to a small group of specialists, it is far quicker to choose a professional "chef" on a competitive basis, who will prepare what the customer wants, but who has difficulty putting it clearly into words. One way or another, the new "chef" will have to rack his brains over rectifying the "culinary" fantasies of his predecessor—they proved too astringent for our stomachs. Or do you believe that we will digest everything and that the people need to get used to precisely this austere "food"?

[Abalkin] No, we will not "digest" it. This was, moreover, obvious from the very outset: Even the most austere tax and financial policy, which constitute the essence of monetary reforms, had inevitably, given our supermonopolism, to have caused hyperinflation and a

catastrophic decline in production. In spite of the reassuring speeches, we have long had both.

Nor is the choice in "civilized countries," as we say, made in this way. The premier is "put up" by the party which is the election winner and which has an entirely particular program.

[Krotkov] But we have not yet, it would seem, reached an increase in prices of 50 percent a month, which is considered the hyperinflation boundary.

[Abalkin] There are different ways of estimating hyperinflation. And the more objective is considered not the monthly indicator, which is susceptible to chance fluctuations, but the annual indicator. So a 1,000-percent increase in prices in a year is called hyperinflation. According to the State Committee for Statistics of Russia, however, the increase in the price of consumer goods in 10 months has already hit the 1,650-percent mark, and the growth of prices in industry, 1,800 percent.

The result is evident: The increase in prices is not stimulating production, and it is not the person who is working better who is forging ahead in terms of living standard but he who has managed to raise the price of his commodities before others, frequently having reduced their manufacture.

And reliable methods of halting the decline and the inflation are not as yet in sight, alas. Especially since the subsidies to the power engineers and agricultural producers continue.

[Krotkov] But old and new leaders of the government are maintaining that the rate of the decline in production is slowing.

[Abalkin] Such conclusions testify either to the unprofessionalism of those who are saying it or to their aspiration to deceive themselves and, indeed, those around them. Guilty of the same vices also, incidentally, was former Union Premier Valentin Pavlov, when he declared: Inasmuch as in May 1991 the decline in production constituted six percent, and in June, five percent, it was time to speak about the start of stabilization. We may with the same success maintain that inasmuch as in the first months of the forced diet the patient lost 10 kilos, and in the last month, only nine, he will soon, consequently, begin to put on weight. No, the catastrophic loss of weight continues, and each new lost kilo brings you closer to the grave.

[Krotkov] Aside from all else, the inordinately high taxes have led to a winding down of production. And it is now contemplated exempting from taxation the part of profits which goes into the development of production. And the notorious value added tax has as of 1 January been reduced from 28 to 20 percent.

[Abalkin] The introduction of tax privileges on profits invested in the development of production is undoubtedly necessary. I have been saying this for a long time.

And the value added tax was manifestly on the high side. But the way out of the situation which is being proposed today will, I fear, only drive the disease inward. For the lowering of federal taxes is not being accompanied by even a minimum and temporary winding down of social programs.

[Krotkov] Yes, the money for this purpose will still have to be scraped together from somewhere.

[Abalkin] We know where—at the local level. It is, after all, from the local budget that hospitals, schools, kindergartens are funded. And local functionaries, to whom the fullness of power pertaining to the introduction of additional taxes has now been given, are, indeed, creating turmoil here. After all, the teachers and doctors will on the least pretext stage mass meetings outside their windows, which, as distinct from the president's, are not fenced off from the country by the Kremlin walls. It turns out that the tax "kindness" of the central authorities is merely provoking conflicts in the provinces.

[Krotkov] To alleviate the economic situation in the country the Civic Union is proposing a partial return to the system of the government contract and price controls on certain commodities.

[Abalkin] Who told you that this was not happening under Gaydar? After all, the state purchases an enormous amount of food, as before, from the countryside by no means at free prices. And the analogous purchases of arms for the Army? And the purchases of metal, oil, gas, and equipment for the fulfillment of international agreements? Are all these not government contracts? It is true that the government has preferred not to employ this word itself. But the former principles have been operative. And it can now only be a question of an expansion of the sphere of their application.

In the past year administrative-command methods, the bureaucratism of government officials, and the size of the administrative system have altogether, contrary to the popular notion, not been reduced but increased.

[Krotkov] What new economic principles might you personally propose?

[Abalkin] New ones, none. All that was formulated in the 80-page document prepared by economists of the Russian Academy of Sciences in conjunction with Reform Foundation specialists does not represent the discovery of America.

We need, finally, to switch from word to deed—really stimulate production and business activity. In two words, we believe that the model which could once again make Russia great should take account not only of the world economic trends of the latter half of the 20th century (market trends in particular) but also the distinctiveness of the historical destiny of our country: its traditions, value system, and type of culture, without which any nation would wilt even on the most effective market "yeast."

[Krotkov] By all accounts, you refer to the patriarchal-communal structure of Russia, references to which were formerly the theoretical basis for the creation in our country of "collective" forms of ownership. But, after all, Stolypin's reform even showed that individual farmers operate far more efficiently on our soil than members of communes.

[Abalkin] You should know that Petr Stolypin (more precisely, not he himself, inasmuch as he had been assassinated, but his successors) was implementing his reform for 10 years. In this time, despite the most active assistance of the government, only nine percent of the peasants on average switched to being farmers!

So we should not, perhaps, attempt to become holier than the pope and stubbornly undertake general collectivization in reverse.

[Krotkov] The Russian countryside has, admittedly, always been distinguished by a certain patriarchality. But industry....

[Abalkin] Industry also. At the Paris Exhibition of 1900, Prokhorov, owner of the Trekhgornaya Manufactory, won three gold medals, for education of the workers and concern for their social situation—the construction of barracks, a maternity home, a hospital—included. And this patriarchal guardianship was in the traditions of the Russian factory owners. Particularly preeminent here was Konovalov, whose hospitals, maternity homes, kindergarten, and factory school were, judging by the photographs, reminiscent more of the Lenin Library than barracks for the workers.

[Krotkov] But both Prokhorov and Konovalov were, for all that, capitalists, private businessmen....

[Abalkin] We should not be pinning on labels. They were outstanding Russian entrepreneurs. Which by no means excluded the existence of state enterprises, which appeared in Russia back in Peter's times—shipbuilding, arms, powder....

Please understand, I am by no means attempting to show that the collective or state form of ownership is better than private ownership. Each of them at a particular historical stage, with regard for the national singularities of different countries, finds its niche where it proves most efficient. And the efficiency concept includes, what is more, not only the level of profitability but also the possibility of the assurance of relatively full employment and political stability in the country, which are not spurned by such respected states as Austria, Sweden, France, the FRG, Japan....

If our marketeer-radicals and Westernizer-democrats finally find the courage to recognize this, Russia will have an opportunity to take the path of national reconciliation—the sole path capable of leading us to prosperity. Let them learn if only something from the

example of that same Japan, whose powerful corporate spirit is, after all, also rooted in centuries-old patriarchal traditions.

We could also borrow from Japan, incidentally, the ability to concentrate on several main areas, a breakthrough in which could secure further global success of the reforms. After the war, the Japanese chose four priority sectors (coal industry, ferrous metallurgy, shipbuilding, and mineral fertilizer production), in which major investments, including in foreign currency, expenditure of which was strictly controlled there for many years, were made first and foremost. And only then on this base did the rapid development of mechanical engineering, trade, and food production begin.

[Krotkov] Leonid Ivanovich, have you not been offered an opportunity to repeat your brush with power—to become a member of the Chernomyrdin government? And if not, how would you react were you to hear such an offer?

[Abalkin] I would turn it down. I am tied up conclusively and irreversibly, as they say. I am prepared here to assist anyone who cares to hear my advice, regardless of who is head of the government and parliament. I am prepared to plug the Russian Academy of Sciences Economics Institute, of which I am head, into the expert evaluation of any economic programs and to participate personally in their elaboration and improvement. Only not in the corridors of power.

[Krotkov] You are intending then, perhaps, to follow the example of certain Western economic theorists who successfully combine the jobs of scholar and businessman?

[Abalkin] Such examples are actually extremely rare. Round-the-clock headaches over one's business prevent expansive and free thought. For this reason the majority of theorists in the West prefer to receive less than the average businessman but to feel, on the other hand, free for scientific research.

For me also freedom is in first place. Freedom to tell the truth to any millionaire, president, premier, or speaker to his face. I will remain, therefore, simply a scientist— independent and objective as far as I am able.

FITUR Plenum Presents New Concept of Trade Union Movement

934A0597B Moscow NEZAVISIMAYA GAZETA
in Russian 31 Dec 92 p 2

[Article by Anna Ostapchuk: "The FITUR Has Fought Off De-Kulakization: Union Members Also Have Stuck With It"]

[Text] The Federation of Independent Trade Unions of Russia [FITUR] is embarking on 1993 with a whole sheaf of plans and hopes. Primarily for the renewed leadership of Russia. In the opinion of Igor Klochkov,

chairman of the FITUR, expressed at a pre-New Year's plenum, "Russia has at this stage succeeded in overcoming further destabilization of the economy, the division of society, and rigid opposition. A real opportunity as of the start of 1993 for a switch from a policy of confrontation between the government and the FITUR to the building of an efficiently operating system of social partnership has appeared."

A new concept of the Russian trade union movement was expounded and the results for the year were tallied at the plenum. There are in fact several main results of the FITUR's work in 1992. The federation recovered from the "shock" of the post-August "great political purge" with its plumage almost wholly intact: It kept its money, assets, and trade union members. Of course, the FITUR leadership is extremely unhappy with "the incessant attempts to take away from the unions the right to administer social insurance"—to which testimony was borne at the plenum. But these "punitive measures" clearly cannot be considered political. The government has its arguments. The trade union, its. The plenum statement maintains that "under the conditions of the breakdown of the economy and the denationalization of property the change in the status of the Social Insurance Fund and the removal of the unions from their administration will lead to a weakening of the social protection of the working people." We can understand the opponents: We are talking about the "administration" of 60 billion rubles, the majority of which, although "hardened" in real property, is, for all that, recognized as being quite attractive. This sole loss is not conclusive, for that matter.

The FITUR is amassing political capital, on the other hand, quite rapidly. Having at the end of last year occupied the niche of "constructive opposition," it turns out that the FITUR made an entirely successful political debut. Having the whole year balanced on the brink of "de-kulakization," the FITUR could also occupy quite a "comfortable" position in the post-Congress alignment of forces. This is connected primarily with the restorative congress of the Communist Party of Russia, which will unite all communists and "democratic socialists." This will be a party clearly not of "red calico" but of far more tranquil tones. This situation will, by all accounts, be conducive to the creation of an "intermediate" bloc of noncommunist parties of the left, of a social democratic persuasion, conditionally speaking. It will include, possibly, the Party of Labor, the Social Democratic Party of Russia, and the "wings" of several other parties. It is toward this bloc—which is, obviously, being put together as an election bloc—that the FITUR will be oriented.

So the principal result of the federation's activity in 1993 [as published] should be considered the attempt to formulate a new Laborite policy for Russia.

Economic Freedom Party Holds Congress

934A0586A Moscow KURANTY in Russian 8 Dec 92
p 2

[Article by Pavel Zakharov: "Will Millionaires Save Russia?"]

[Text] Last Saturday the Parliament Center of Russia was placed at the disposal of delegates and guests of the First Congress of the Economic Freedom Party [PES]. As we know, its nucleus is made up of representatives of big business and, naturally, it was expected that there would be a line of "foreign" limousines in the driveway. Nothing of the kind. Our millionaires rolled up to the center in modest domestic Zhigulis and Moskviches, and some of them even arrived on the metro like ordinary mortals.

The congress elected 462 deputies, but 100 people fewer were in attendance. Chairman Irina Khakamada conducted the meeting in a strictly businesslike manner, not allowing the speakers to get too "long-winded" and strictly observing regulations.

Perhaps nothing new was said at the congress after the preceding statements of PES leaders K. Borovoy, S. Fedorov, and V. Zolotarev. It was stated that prolongation of the transition period would lead the country into an impasse. They were faced with a choice in the policy of reforms: either decisive renewal of all aspects of the life of society and state or sliding toward national disaster and restoration of a totalitarian regime.

The party thinks that the path to prosperity is well known. It is the path of freedom and recognition of the priority of human rights over all other rights. And above all the right to work freely, selling one's labor or the results of one's labor. The healthy and prosperous society proclaimed in PES documents may be constructed only on the basis of the primacy of private property as compared to all other forms, collective and public, that are essentially derived from it.

Characterizing the party's position with respect to the transformations of the government, the PES is against both the demands to curtail the reforms and attempts to impose under slogans of some "moderate reformism" a gradual revision of President B. Yeltsin's current reformist policy.

Several resolutions regarding our country's most crucial problems were adopted at the Congress, the PES regulations and program were ratified, and management organs were elected.

Unfortunately, there are a lot of pronouncements in the PES documents but almost nothing is said about the mechanisms for our society's transition to prosperity. And as we know, a knowledge of the principle of "know how" is the guarantee of success in business.

Khandruyev 'Clarifies' Central Bank Position

934A0586B Moscow ROSSIYSKAYA GAZETA
in Russian 5 Jan 93 p 3

[Interview with Deputy Chairman of the Central Bank of Russia Aleksandr Khandruyev by Yelizaveta Leontyeva; place and date not given: "Will the Policy of the Central Bank of Russia Change?"]

[Text] Appearing recently in the mass media have been articles that are alarming for the young market structures: the Central Bank of Russia is moving backward, it is proposing to return to the old banking system. The "rank-and-file" population is also disturbed—there have been more rumors about monetary reform. The situation is clarified by Deputy Chairman of the Central Bank of Russia Aleksandr Khandruyev.

[Khandruyev] Yes, there has been a wave of rumors in the press about radical changes in our banking system and even a monetary reform. Here first of all I would ask you to pay attention to the fact that the new leaders of the Central Bank in all of their statements have always been very restrained in expressing their views and have avoided any extremes. This was dictated by the fact that we consider the Central Bank to be responsible for maintaining the delicate but stable economic situation.

[Leontyeva] Still, what can you say specifically about the recent speech by the deputy chairman of the Central Bank of Russia, Valerian Kulikov, which caused such a stir?

[Khandruyev] You can look at the wall newspapers and see that the newspapers clearly distorted Kulikov's statement. Certain stirring aspects were selected from it, they were amplified through the efforts of the journalists—and this is the result. In spite of the fact that we issued an official denial, the wave continues.

The issue amounts to the following: the creation of a two-level banking system has become an everyday phenomenon. The development of commercial banks is continuing, and there are not even enough of them. It is clear that the Central Bank of Russia can conduct its credit-monetary policy through these commercial banks. Hence we are interested in having them proliferate.

[Leontyeva] How interested are you in having mechanisms for interbank competition develop?

[Khandruyev] In keeping with world practice we are by no means trying to place obstacles on the path of small and medium-sized banks and to have only large ones. So there is no question of any return to the old single-bank system, and, naturally, there can be no special banks. There can be none if only because the special banks have already been turned into joint-stock companies.

Yes, we support mechanisms for interbank competition, and here again we proceed from world practice where, in

addition to an immense number of small and medium-sized banks and banking and nonbanking credit-financial institutions, there necessarily must be several large commercial banks. For example, the big three in Germany, the five in Canada, and the four in England. That is, throughout the world there are those which are a guarantee of the stability of the credit system. They take on the main function of granting investment credit, conducting risky operations, etc.

But we have a very sharp contradiction between the high degree of concentration and monopolization of production and the fragmentation of the banking system. The majority of commercial banks are not capable of servicing investment activity effectively enough. We cannot entrust the granting of long-term investment credit, with its large risk under the conditions of high inflation with beneficial interest rates, to small and medium-sized banks. Hence the need to restore several large commercial banks (I repeat, not state banks and not specialized ones) with a vertical administrative structure and numerous branches throughout the country, which will be able to serve the enterprises on the spot. For at the present time with a rate of 80 percent annually, the majority of enterprises are not capable of spending money for the development of production and modernization of equipment.

[Leontyeva] But there are probably banks on which one can already rely.

[Khandruyev] There are some. For example, TOKOBANK, Kredobank, Menatep, Inkombank, and a number of others which can be trusted with investment credit operations now. Thus within the framework of interbank competition we are finding an optimal point of combination of large, medium-sized, and small banks. Each can find its niche here. Including the several large new banks whose restoration you and I are discussing.

[Leontyeva] Well, Aleksandr Andreyevich, tell us about the monetary reform—will this question be up in the air indefinitely?

[Khandruyev] In any case, even if the Central Bank had thought about it, although we have no money now, we understand full well that this would have caused a chain reaction of panic buying. But if one looks at things soberly, the reform has already passed. Rather, there has been a sharp devaluation of monetary savings of the population and the financial assets of the enterprises. Thus under conditions where our population has become beggars, where the enterprises are experiencing a critical shortage of working capital, can we really conduct a monetary reform? Especially a monetary reform of the confiscation type?

In the speech of the first deputy chairman of the Central Bank which you mentioned the subject was the fact that effective 1 July we have already changed over to a system of correspondent accounts with the central banks of the states of the ruble zone. That is, we have marked out in the ruble space a zone of circulation of the Russian ruble,

the Kazakh ruble, the Uzbek ruble, etc. That is, we have already conducted a monetary reform here too. But in public opinion the reform is inevitably linked to the replacement of cash money. But, after all, that is only an element of monetary reform, the most insignificant part of it, because cash money circulation accounts for approximately 20-22 percent of the total mass of money.

[Leontyeva] So is there no discussion of any rash measures?

[Khandruev] Absolutely not.

[Leontyeva] Now two extremely essential questions: What kind of relationship will there be between national and foreign banks? And what advantages will national banks enjoy? Or will there be any?

[Khandruev] These are very significant questions. Here again the Central Bank holds a very balanced position, speaking out against unreasonable protectionism and liberalism. We think that the banking system of Russia really is in the process of being established now. And, undoubtedly, it is necessary to take protective measures with respect to domestic banks. At the same time it would be stupid to hope to ensure even an elementary influx of foreign capital into the country without the participation of foreign banks.

[Leontyeva] You mean to say that a foreign investor will go to Russia only under one condition—if foreign banks go there too?

[Khandruev] Yes, that is what I think. Therefore our task is to give foreign banks the opportunity to operate on the domestic market, but we must do this very carefully.

[Leontyeva] Carefully—that is, in limited forms?

[Khandruev] Precisely. We must place restrictions on the development of the scale of their operations so as not to impede the development of commercial banks in Russia. On the one hand, we are not rejecting the licenses that have already been issued to Western banks and we are studying questions of issuing licenses to a number of others, but we are against giving them wholesale access to our country and we are against unreasonable prohibitions.

[Leontyeva] Let us return to the privileges for domestic banks.

[Khandruev] The restrictions placed on foreign banks will perhaps be sufficient. Domestic banks will have the opportunity to conduct all kinds of operations envisioned by banking legislation.

Creation of Seven Gigantic Autonomous Concerns Advocated

934A0586C Moscow NEZAVISIMAYA GAZETA
in Russian 25 Dec 92 p 4

[Article by Ruslan Avramchenko: "Seven Giants for Restoring the Country. Subeconomic Aspect"]

[Text] Centralization or decentralization? The debate between politicians and economists on this subject in our country has gone on for years, sometimes, as was the case with the sovnarkhozes [council of the national economy], going beyond pure theory. This article continues the discussion, being, in our view, not so much a guide to action as information for further reflection.

It is necessary to have political accord among the so-called democratic and opposition forces. But how can it be achieved if their opposition is an objective manifestation of a social crisis, and the deeper it goes the greater the polarization of society? But both progress and conservatism can win in the foreseeable future. Even reactionary forces can.

Why not make an attempt to break the entire front of the political struggle into several independent sections, transfer the struggle from state-affiliated spheres to production, and there transform the political opposition into constructive competition of several socioeconomic models. Parallel development of these models in gigantic national economic blocs, the competitive spirit in the desire of each of them to prove its advantages, prompt elimination of negatives, and mutual assimilation of positive experience—all these are the sources of the survival of the blocs and the future intensive and progressive development of the country.

World economic experience, passing through the trust stage, that is, the branch stage, structuring, has assimilated and for decades has been demonstrating the extremely high effectiveness of gigantic—right up to the transnational level—concentration of joint-stock capital in multibranch concerns. The penetration of capital under unified control into various branches—diversification—makes it possible for economic giants to master an immense volume of information about the condition of the sources of raw material, capital, work force, technical and scientific achievements, and sales markets. Based on this information, they gain the possibility of determining the optimal strategy in the areas of production, capital investments, scientific research and experimental design work, and personnel training. They conduct medium-range and frequently also long-range planning of production activity, transferring their resources among regions and branches, particularly in science-intensive and advanced branches. Producing and simultaneously consuming a large variety of their own products, the firms are forced to regulate internal price setting while external prices move freely. Having immense investment capabilities, they can in extremely short periods of time arrange production on any scale and in any branch and enter operational market spaces

on a broad front. A sufficiently large number of concerns that are maximally diversified and approximately equal in size is an excellent antimonopoly and general market factor.

The main activities that are centralized in the concern are capital investments, scientific research and experimental design work, and some of the financing. The system of administration of the enterprises includes elements of the entire spectrum from directive forms (with respect to enterprises operating at a loss, naturally) to complete decentralization of enterprises that are doing well.

All shareholders of the concern annually elect the high management organ—the concern council, which makes personnel appointments to the concern's permanent administrative organs. The latter, in turn, conduct a search for the optimal system of management of all units of the concern and solve personnel problems up to the level of the directors of enterprises.

In order to take advantage of this experience in our country, it is suggested that the hundreds of thousands of the country's enterprises, including those that have been privatized and those that have been turned into joint-stock companies, be grouped into seven gigantic, absolutely independent concerns, rather—in terms of scale—hyperconcerns.

Why precisely seven? In the opinion of experts this is the minimum possible number with which a competitive environment can be guaranteed to function vigorously. Why was the minimum number chosen? From the standpoint of modern requirements, our national economy was greatly unbalanced, and the disintegration of the USSR brought this shortcoming to the critical point. Now immense investment resources are required for restoring the balance, and the larger the concern, the greater its possibilities of finding and concentrating these resources. As years go by, if this is required by the experience that is accumulated and by structural decisions, the hyperconcerns can be divided into smaller units.

The methodology for the formation of hyperconcerns should be based, in the first place, on inclusion in the process of the creation of corporations of absolutely all enterprises of the production sphere (industry, including defense, construction, all kinds of transportation, communications, trade, service, and sovkhozes and kolkhozes); in the second place, on singling out the enterprises and associations that are most important to the national economy of Russia and dividing them into seven approximately equal groups; and, in the third place, subsequent joining of each of these groups by the remaining enterprises which are related from the standpoint of cooperative deliveries of products. As a result, each hyperconcern should have all branches represented in approximately equal proportions, with the most uniform possible raw material, energy, processing, income,

foreign currency, scientific, experimental-design, professional-personnel, and infrastructural self-support.

And another indicator must be taken into account without fail: The average value of production property per worker should be the same in all the hyperconcerns. This value, according to 1990 estimates, is equal to approximately 20,000 rubles [R] and equivalent (according to the author's estimate) to four annual incomes of the average statistical worker of the 1980's if everything received from the enterprise consumption fund is included in the income.

Finally, in order to create conditions for close competitive interaction of the hyperconcerns, sovkhozes and kolkhozes, trade enterprises, enterprises for producing consumer goods, construction, and other enterprises of each of the hyperconcerns are to be distributed uniformly throughout the country.

Thus from the Russian remains of what was once a unified Union economy, seven independent and completely viable subeconomies would be created. They would be territorially interpenetrating and uniformly distributed throughout the Russian Federation in every population point of any size. In this kind of structure of the national economy conditions are created for embodying seven sets of the most diverse models of property, economic mechanisms, control systems, and financial systems.

And the precise set of factors that develops in each of the hyperconcerns—this is decided by the workers. In some, all production property could be newly collectivized and divided up by all the workers into equal shares with the right to ownership, disposal, and use; important elements of the socialist management system are retained here. In others—of the open type—any citizen could become a co-owner with the right to vote. In still others, a progressive tax could be imposed for the amount of property owned by a single person. In still others, there might not be any restrictions at all (complete capitalization of the subeconomy). In some hyperconcerns there might be a centralized management system with variations from directive to analogues of the state order, and in others—decentralization. Some might use only national currency—the ruble, while others—with purely domestic circulation—might use their own concern currency. Each one would have its own strategy for the development of small business, the fight against inflation, unemployment, etc. The diversity of models is so great that it cannot be described, and life will probably add to this diversity with the most unexpected surprises.

The draft of the new structure might be developed by a temporary committee under the aegis of the Supreme Soviet of the Russian Federation, consisting of specialists in organization and management of production, leading ministry workers, and economic experts from the West. The procedure for grouping the enterprises into hyperconcerns is essentially formal and does not affect any essential political interests. The entire front of the

political struggle, since it will be divided into seven parts and thus essentially weakened, will shift to within the hyperconcerns. And it will be here—not in a state abstraction as it is today—but within these enterprises, with the means of production, with the concerns about their own job and capital, that general political interests are rapidly narrowed to concrete and immediate economic ones. In each hyperconcern the concrete set of leaders will be determined by the uniqueness of the economic model, and with that the first revolutionary stage of the reform will peacefully come to an end, bypassing the stage of evolutionary development.

Seven economies interacting and competing extremely closely, seven continuously improving experiments, seven inseparable and extremely powerful market competitors—is this not an ideal model of the country's improving economy?

In a small article it is impossible to give all the details, nuances, and positive aspects of the described model of the economy. Such, for example, as the possibility of decentralizing the central administrative organs for management of the hyperconcerns in seven different cities of the Russian Federation. This would separate them from the bureaucratized and corrupt Moscow officialdom, freshen them with new personnel, weaken the factor of provinciality of the country's immense economic zones, etc.

Or, for example, such as the elimination of the ethnic tinge on the economy of the Russian Federation, which is alien to the nature of any healthy economy. Moreover, hyperconcerns would consolidate our multinational state.

And another thing. A process of state separation of the republics is taking place on the territory of the former USSR. It is state separation and not economic because the economies of republics have developed numerous and deep roots in one another, and the economies are withering away before our eyes because they are being cut. Everyone is trying to avoid this, but the self-asserting independence of the states has no pity for the sensitive roots.

How can they be protected? And, moreover, how can one provide for their development and adaptation to modern market conditions? (To continue this topic it must be noted that with the existence of independent hyperconcerns there is no longer any need for state executive power in the sphere of the economy. Moreover, consistent liberalization of the economy makes it possible to separate economic legislation into an independent extra-state institution—the Economic Supreme Soviet (EVS) elected only by workers of the production sphere.)

The ideas presented apparently provide the best solution. It lies in parallel development of the processes of reform in the republics. Particularly in the creation of a unified economic system which does not depend on state structures in the republics and the corresponding inter-republic hyperconcerns and an interrepublic Economic

Supreme Soviet. This will create a Union economy, but now based on completely new—market—principles.

Naturally, this will also bring the states of the republics together in their direction toward the formation of their confederative community with a Union foreign border, without any customs, with Union currency, and a strategic army. But with sovereign state powers on the territory of the republics. Here the most favorable conditions would be created for optimal development of all, including ethnocultural, manifestations of nations and peoples.

Roundup of 1992 Exchange Activity

934A0604A Moscow NEZAVISIMAYA GAZETA
in Russian 31 Dec 92 p 4

[Article by Mikhail Glazachev and Aleksandr Yakovlev, under the "Situation" rubric: "Summing Up the Exchange Activity Before the New Year. The Market Survived, and That Is the Main Thing"]

[Text] It is customary to do some summing up on the threshold of the new year. The main achievement of the exchange market was the fact that it survived. The leading exchanges continued to move toward a civilized form of trading, accepted in countries with developed market economies, in spite of the price deregulation, licensing of foreign trade, the crisis with nonpayments, the weakening of the ruble rate, the first signs of hyperinflation, and a multitude of other negative factors that had a paralyzing influence on many government structures. During recent months, large batches of standard goods appeared in the exchange turnover, and sales volumes kept growing. The general fall in production in our country did not affect the activity of our major exchange structures. For instance, the 1992 turnover of the Moscow Commodity Exchange [MTB] (excluding the last week of December) was 19.4 billion rubles [R], with 3,811 transactions completed.

The unusually bright picture of 1992 prices blinded all customers, as it made prices the center of attraction for the interests of our entire community. Varying assessments are being given to the price increases. This year, the average price increase for the products of six basic commodity groups was by a factor of 8.2 at the MTB. Among those, prices of petroleum products increased by 15.3 times, of chemical products—6.5 times, construction materials—5.8, ferrous and nonferrous metals—5.7, agro-industrial complex products—5.3, and of lumber industry products—4.3 times. The same petroleum products are definitely leading among separate commodities. Compared to December of last year, diesel fuel now is 16.7 times more expensive, automobile gasoline A-76 costs 16 times more, and fuel oil is 13.3 times more. These are followed in price increases by nonferrous metals: A-7 type aluminum has become 11 times more expensive, electrolytic copper—8.4 times. The highest increase in the construction materials category was for M-75 type bricks—9.8 times, roofing felt—7.4 times,

window glass—6.9, cement—6.4 times. Price increases of most agricultural products varied from three to five times. These figures were topped only by such classic agricultural products as sunflower oil (a 8.9-fold increase) and valuable types of wheat (a 5.4-fold increase). Alcoholic beverages rose in price by more than 10 times.

It should be remembered that such dynamics are tied exclusively to the prices of exchange transactions which, as early as in December of last year—just before the price deregulation, that is—considerably exceeded government-set prices. Other sectors of our economy showed a much steeper increase in prices, and the dynamics of exchange pricing may be viewed only as its bottom limit.

The penultimate week of the expiring year did nothing to change the price dynamics in commodity trading at the exchange market. The compound index of MTB prices remained at its previous level. Only five commodities from its total list increased, and six other dropped in price. Another 34 commodities have not changed their price parameters. This state of the market before the new year also affected its trading activity, which diminished somewhat. Compared to December of last year, when the exchange was in a frenzy because of the coming price deregulation, 1992 is ending much more peacefully.

The year 1992 saw the division of the exchange market into two segments—a market trading in existing commodities and the futures market, which is developing with gigantic strides. It would be sufficient to mention that after just one month of its activity, the cost of closed futures contracts grew by 33 times at the MTB. The first futures contract for the American dollar was successfully closed, and it is due to come into effect in December. At this time, six futures contracts are being traded at the MTB, four for the American dollar (at \$10 and \$1,000 volumes with delivery in February and March) and two for privatization checks with delivery in January and February. Futures prices are starting to serve more and more as economy indices. At present, for instance, brokers assess the dollar exchange rate at R547 in February and at R558 in March. Vouchers continue to drop in value and are evaluated at R9,070 in January and at R10,080 in February [as published].

The development of our exchange trading proves that the course toward economic reform in our country started by Yegor Gaydar has already started to gain speed, and it seems hardly possible to reverse this process. The necessity of continuing decisively with the reforms is becoming obvious to all free citizens of free Russia, and not only to professional politicians and economists.

Edict on Expanding Participation in Specialized Check Auctions

935D0220A Moscow ROSSIYSKAYA GAZETA
in Russian 12 Jan 93 p 5

["Edict of the President of the Russian Federation 'On Expanding Opportunities for Participation by the Public in Specialized Check Auctions'"]

[Text] In order to ensure broad participation by the public in specialized check auctions, I decree as follows:

1. The Russian Federation State Committee for the Management of State Property and the committees for management of state property in the krais, oblasts, and autonomous formations and the cities of Moscow and St. Petersburg shall within a period of three weeks bring into line with Edict of the President of the Russian Federation No. 1229 of 14 October 1992 "On Developing a System for Privatization Checks in the Russian Federation" and Section 2 of the Directive of the Russian Federation State Committee for the Management of State Property No. 701-r of 4 November 1992 on the plans for the privatization of state and municipal enterprises converted into open-type joint-stock companies, in accordance with Edict of the President of the Russian Federation No. 66 of 29 January 1992 "On Accelerating the Privatization of State and Municipal Enterprises" and Edict of the President of the Russian Federation No. 721 of 1 July 1992 "On Organizational Measures To Convert State Enterprises and Voluntary Associations of State Enterprises Into Joint-Stock Companies" (referred to hereinafter as "joint-stock companies").

To establish that the appropriate committee for the management of state property shall, within a period of three days after this work shall have been done, notify the bodies recording a privatization plan (the prospectus for the issue) of a joint-stock company and the changes that shall have been made. When this is done, the privatization plan (prospectus for the issue) shall not be rerecorded.

2. To establish that the founders of joint-stock companies created as the result of conversion of state and municipal enterprises in accordance with Edict of the President of the Russian Federation No. 66 of 29 January 1992 "On Accelerating the Privatization of State and Municipal Enterprises" and Edict of the President of the Russian Federation No. 721 of 1 July 1992 "On Organizational Measures To Convert State Enterprises and Voluntary Associations of State Enterprises Into Joint-Stock Companies" shall have the right on the basis of the results of specialized check auctions conducted in accordance with the provision on specialized check auctions and the provision on the sale of shares during the process of privatization as confirmed by Directive No. 701-r of the Russian Federation State Committee for the Management of State Property of 4 November 1992 (referred to hereinafter as "check auction") to split shares into shares worth less than the nominal value without altering the total value of the startup capital. All

shares issued by the joint-stock company must be split at the same time on condition that after the split all the shares of the joint-stock company will have the same nominal value. The nominal value of a share after the split shall be expressed by an integral number of rubles or, if necessary, fractions of a ruble.

The founder of a joint-stock company shall within a period of one week make the following notifications:

—to the bodies registering the joint-stock company, with respect to changes made in the founding documents in connection with the share split. When this is done, the joint-stock company shall not be reregistered;

—to the bodies recording the privatization plan (prospectus for the issue) for the joint-stock company, with respect to changes made in the privatization plan (prospectus for the issue) in connection with the share split. When this is done, the privatization plan (prospectus for the issue) shall not be rerecorded.

A notification should contain the following data: nominal value of one existing share, nominal value of one new share, and the number of new shares issued to replace existing share. The notification shall be published in the press.

3. The Russian Federation State Committee for the Management of State Property shall within a period of seven days make changes to Section 2 of the Standard Privatization Plan, making provision that following a check auction for the sale of share of a joint-stock company set up as the result of the conversion of a state or municipal enterprise in accordance with Edict of the President of the Russian Federation No. 66 of 29 January 1992 "On Accelerating the Privatization of State and Municipal Enterprises" and Edict of the President of the Russian Federation No. 721 of 1 July 1992 "On Organizational Measures To Convert State Enterprises and Voluntary Associations of State Enterprises Into Joint Stock Companies," it is possible to sell at auction for rubles up to five percent of the total number of shares of a joint-stock company sold at a check auction. Assets derived from the sale of these shares shall be allocated to cover the costs associated with holding the check auctions and as bonuses for associates in the privatization organs taking part in the organization of check auctions. Sale of these shares shall take place as part of the total number of shares of a joint-stock company in accordance with Edict of the President of the Russian Federation No. 1229 of 14 October 1992 "On Developing a System for Privatization Checks in the Russian Federation."

4. Section 4 of the Statute on Commercialization of State Enterprises With Simultaneous Conversion Into Open-Type Joint-Stock Companies, confirming Edict of the President of the Russian Federation No. 721 of 1 July 1992 "On Organizational Measures To Convert State Enterprises and Voluntary Associations of State Enterprises Into Joint Stock Companies," shall additionally include Clause 6.7., to read as follows:

"6.7. The founder of the company has the right to split existing shares into shares with a lower nominal value without changing the value of the startup capital, in accordance with the procedure set by the Russian Federation State Committee for the Management of State Property."

5. This Edict shall enter into force from the moment it is signed.

[Signed] *B. Yeltsin, President of the Russian Federation*
Moscow, the Kremlin
31 December 1992
No. 1705

Decree Regulating Prices of Certain Goods

Text of Decree

935D0223A Moscow ROSSIYSKAYA GAZETA
in Russian 13 Jan 93 p 6

["Decree of the Government of the Russian Federation of 31 December 1992, No. 1041, Moscow, 'On State Regulation of Prices of Certain Kinds of Products and Goods'"]

[Text] The Government of the Russian Federation decrees:

1. In order to restrain inflationary processes and unjustified growth of prices of the most important kinds of products, goods, and services, to extend the application of the Decree of the Government of the Russian Federation of 11 August 1992, No. 576, "On State Regulation of Prices and Rates of Products and Services of Monopoly Enterprises in 1992-1993," to all enterprises, regardless of their organizational-legal forms and departmental jurisdiction, which have produced products (goods, services) on lists indicated in Appendices No. 1 and 2.

2. To grant to the governments of the republics of the Russian Federation and organs of executive power of the krais, oblasts, autonomous formations, and the cities of Moscow and St. Petersburg the right to change, based on local production conditions and market conditions, the maximum levels of profitability of products indicated in Appendix No. 2 produced by all enterprises and organizations, regardless of their organizational-legal forms and departmental jurisdiction, including monopoly enterprises.

3. In the appendix to the Decree of the Government of the Russian Federation of 11 August 1992, No. 576, "On State Regulation of Prices and Rates for Products and Services of Monopoly Enterprises in 1992-1993" replace the words:

"Bread, bakery products, flour, ethyl alcohol for drinking—20

"Macaroni products, sugar, vegetable oil—25"

with the words

"Bread, bakery and macaroni products, flour—15

"Ethyl alcohol for drinking—20

"Sugar, vegetable oil—25."

4. To establish that state price regulation specified by the Decree of the Government of the Russian Federation of 11 August 1992 "On State Regulation of Prices and Rates for Products and Services of Monopoly Enterprises in 1992-1993" is not to be applied to consumer goods on the list in Appendix No. 3 produced by monopoly enterprises included on the State Register of the Russian Federation of Monopoly Associations and Enterprises.

5. Decisions to include the goods indicated in Appendix No. 3 in the category of fashionable new ones are made by artistic-technical councils of manufacturing enterprises whose staffs include trade representatives, organs for protection of consumer rights, and territorial organs of the State Committee of the Russian Federation for Antimonopoly Policy and Support of New Economic Structures.

The Trade Committee of the Russian Federation and the Committee of the Russian Federation for Price Policy with the participation of the Roslegprom joint-stock company and the Rostekstil Concern are to determine the procedure for including light industry items in the category of fashionable new items.

[Signed] V. Chernomyrdin.

Appendices to Decree

935D0223B Moscow ROSSIYSKAYA GAZETA
in Russian 13 Jan 93 p 6

[Appendices to Decree of the Government of the Russian Federation of 31 December 1992, No. 1041]

[Text]

Appendix No. 1 to the Decree of the Government of the Russian Federation of 31 December 1992, No. 1041

List of products (services) to which state price regulation applies

Maximum profitability level for groups of products (in percentages of production cost)

Products of mining enterprises—50

—crude iron ore

—bauxites

—concentrates: wolfram, molybdenum, copper, lead, zinc, tin, cobalt, fluorspar

Products of mining-chemical enterprises—40

—industrial sulfur (gaseous and natural), apatite concentrate

Products of the metallurgical industry*—25

—alumina

—coke

—cast iron, conversion and smelted

—metallurgical slag

—ferrous alloys: ferrosilicon, ferrochrome, ferrovanadium, ferromolybdenum, ferrotitanium, ferronickel, ferrowolfram

—steel—carbon, low-alloy, construction

—blanks for converting carbon, low-alloy, and construction grades of steel

—pipe skelp from carbon, low-alloy, and construction grades of steel, including bearings

—high-grade rolled and sheet metal made of carbon, low-alloy, and construction grades of steel, including bushing (except free-cut grades)

—high-grade rolled and sheet metal made of corrosion-resistant, heat-resistant, and high-temperature grades of steel

—rolled wire made of carbon, low-alloy, and construction grades of steel

—dynamo and transformer sheet steel

—wide-gauge railroad tracks, railroad braces, girders and channels, and covers and undergirding for railroad tracks

—tin-coated sheet steel, tin plate and chrome plate

—steel pipes: oil lines, large-diameter welded pieces, including gas lines, general-purpose rolled pipes, rolled bushings, pulled (including bushing), water and gas line (ferrous and galvanized), casing, drilling, pump-compressor, and for high-pressure boilers

—steel wire: rolled, low-carbon and carbon, brass-plated for the side rings of tires, for manufacturing high-pressure sleeves and bushing wire

—screen: material for the milling industry, "semyanka," welded (except armature), and cutting

—steel cables, metal cord

—aluminum, refined copper, lead, zinc, nickel, tin, cobalt, titanium, magnesium, molybdenum, wolfram, alloys based on them (ingots, slabs, powders), and metal rolled from them

—black copper

—scrap ferrous and nonferrous metals

—semiconductor materials: silicon, germanium

Products of the chemical and petrochemical industry—25

—chemical fibers, filaments, and raw material for them (caprolactam, dimethyl terephthalate, acrylic acid nitrile, AG salt, triacetate celluloses for fiber, acetyl cellulose)

—acids (nitric, boric, industrial sulfuric and oleum, chlorides, acetic, sebacate)

—caustic soda (sodium hydroxide) and soda ash

—synthetic ammonia, methanol, ammonium nitrate, detergents, sodium tripolyphosphate, yellow phosphorus, cotton pulp, ethyl chloride, ethyl benzene, tetraethyl lead, cryolite, wolfram anhydride, vinyl chloride, divinyl, acetone, phenol, ethylene, propylene, styrene, formalin, epichlorohydrin, industrial ethyl alcohol, synthetic fatty acids and highly fatty alcohols

—plasticizers

—benzene, xylene, toluene,

—synthetic rubbers and latexes

—tires for trucks and agricultural machinery, aircraft tires

—conveyor belts and rubberized belts, rubber plates for submarines

—white lead paint, oil and alkyd paints, enamel from condensed resins

—polymers, plastics

Products of timber procurement enterprises—50

—round timber from the main kinds of trees, mine supports

Products of the wood processing and pulp-and-paper industry—25

—timber materials, ties, timbers for switches, prepared wooden pieces, including barrel staves

—wooden slabs, laminated paper plastic, sets of wooden packing parts, pulp, fiber, plywood

—printing paper, wallpaper, writing paper, electrical insulation, packing and electrical insulation cardboard

—industrial chips

Machine-building products*—25

—small- and medium-capacity electric motors (up to 100 kilowatts)

—low-voltage electrical equipment

—glass-reinforced plastic and foil-reinforced paper laminate

—cable items except wires for electric power transmission lines, power cables of one kilovolt and higher, long-distance cables

—storage batteries

—internal combustion engines

—reduction gears

—chassis for trucks, airplanes, and helicopters

—electrical equipment, instruments and fuel equipment for motor vehicles, tractors, and agricultural machinery

—wheel assemblies and braking equipment for railroad rolling stock

—front axles and rear wheels of trucks, tractors, and agricultural machinery

—bearings

—cast, forged, and stamped metal, milling balls

—refrigerator compressors

—picture tubes (except picture tubes for television sets of the fourth and subsequent generations)

Light industry products—25

—yarn and spun items made of various kinds of raw material, sewing thread made of all kinds of fibers except thread made of natural silk

—wadding, medical gauze

—natural and artificial leather

—nitro artificial leather and technical materials, including lining

—tanning extracts

—batching items and materials for producing footwear (lasts, heels, soles, etc.)

—carded flax materials

—dressed rabbit skins, dressed sheepskins, and furs

—fabrics, nonfabric materials, knitted cloth, artificial industrial-technical and special-purpose fur

—ropes, cores for ropes, cord, sacks for sugar and grain products

—fabrics, uniforms, footwear, gear, military clothing, and other special-purpose products included in the property of the Armed Forces, Ministry of Internal Affairs, and Ministry of Security

Construction materials*—25

- asbestos, cement, and raw material for its production, asbestos concrete items, concretes, solutions, concrete and reinforced concrete items
- binders containing gypsum and lime and raw material for their production, clay material, non-ore materials, porous fillers
- walling and partition materials
- frames and mesh, embedded and applied parts for reinforced concrete
- lime and dolomite meal for agriculture
- construction and special-purpose glass
- construction parts and elements made of wood

Products of other branches of industry—25

- industrial explosives
- uranium and products from its processing
- sources of ionizing radiation and compounds with radioactive and stable isotopes
- raw material for light industry: washed wool, flax and jute fiber, sheepskin items

Nutritive yeasts—30**Services of supply and sales (intermediary) organizations and enterprises—50**

(of turnover costs)

Notes:

1. The Committee of the Russian Federation for Price Policy with the participation of the Ministry of the Economy of the Russian Federation may change the list of products specified in the present appendix (for specific kinds), taking into account production and market conditions.

2. Regulated prices for products specified in the present appendix are applied for their sale throughout the entire territory of the Russian Federation.

*If the proportion of the production cost of the products made up of the cost of materials, semimanufactured products, and batching items is more than 85 percent, the maximum level of profitability is set in the amount of 15 percent.

Appendix No. 2 to the Decree of the Government of the Russian Federation of 31 December 1992, No. 1041**List of Main Food Products and Other Consumer Goods to Which State Price Regulation Applies****Maximum Level of Profitability (in percentages of the production cost)****Bread, bakery, and macaroni items—15****Flour, cereal—15****Yeasts, bread-baking—30****Meat, cooked and smoked sausage of the first and second grades—10****Milk, whole and dry, sour milk products, sour cream, cottage cheese, butter—10****Fish, frozen and refrigerated (except delicatessen kinds), oils of sea mammals and fish, medical and veterinary—50****Vegetable oil—25****Food oils, industrial-grade and regular lard, margarine products—20****Sugar—25****Salt—50****Tea—20****Ethyl alcohol for drinking—20****Children's food products (including concentrated foods)—20****Household soap and toilet soap of the second and children's groups—20****Caramel, round coated candies, cakes, and goods baked from first-and second-grade flour—20****Industrial casein, lactose, nutritive fish meal—20****Tobacco: cut, smoking, majorca, pipe, yellow; papirosy cigarettes, cigarettes—40****Food concentrates:****—soups and entrees,****Gerkules oat flakes and oat flour—20****Treacle-molasses*****Notes:**

1. The Committee of the Russian Federation for Price Policy with the participation of the Ministry of the Economy of the Russian Federation may, if necessary, change the list of products specified in the present appendix, taking into account production and market conditions.

2. The prices of products specified in the present appendix, which were formed taking into account the maximum levels of profitability, are applied for sales throughout the entire territory of the Russian Federation.

*For treacle-molasses the Committee of the Russian Federation for Price Policy establishes the maximum prices (maximum coefficients of price increases).

Appendix No. 3 to the decree of the Government of the Russian Federation of 31 December 1992, No. 1041

List of consumer goods for which state price regulation does not apply, which are produced by monopoly enterprises included on the State Register of the Russian Federation of Monopoly Associations and Enterprises

Foodstuffs

Caviar from sturgeon and salmon

Delicatessen products from valuable kinds of fish and sea products

Veal, lamb, pork, and rabbit, tongue

Fancy kinds of meat products (smoked, baked, fried)

Ham-type canned goods

Confectionery items, chocolate-covered candies, chocolates, boxed chocolates, slabs of chocolate, chocolate figures, boxes of confectionery items made of flour, chewing gum, oriental sweets

Spices, condiments

Liquor (except vodka), champagne, sparkling and bubbling wines, cognacs

Nonfoodstuffs

Rugs and carpet items

Items made of natural fur (except sheepskin items on special order, head gear made of rabbit fur, specialized clothing, and children's items)

Clothing made of natural leather

Leather haberdashery items made of natural and artificial leather (except special-purpose and children's items)

Natural silk fabrics and items made from them*

Pure woolen fabrics and items made from them*

Linen fabrics and items made from them*

Knitted and hosiery items for adults made of pure wool yarn

Fashionable new:* fabrics and artificial fur, rolls of knitted fabric and lace, lace items, sewn and knitted items, footwear, tulle curtains, textile haberdashery items, umbrellas.

Electric goods: air cleaners, mixers, fans, microwaves, waffle iron, deep fryer, automatic washers, three-compartment refrigerators, refrigerator-freezers, freezers, looms, spinning machines, juicers, separators, coffee makers, coffee grinders, cooking and electric baking ovens, samovars, and ventilators.

Radio items: radio receivers, sound recording devices of the first and second groups of complexity, car radios and

tape decks, color television sets of the fourth and subsequent generations, video tape recorders

Home computers

Jewelry items

Items from folk industries, souvenirs, cutting items, table items, and dishes made of nonprecious metals coated with silver and gold

Amber items

Crystal items and also chandeliers with crystal parts

High-quality items made of porcelain (dining, tea, and coffee services), sculptures and decorative items made of porcelain, earthenware, and majolica.

Suites and sets of furniture: living rooms, dining rooms, offices, bedrooms, sets of upholstered furniture

Sports equipment (except children's), boat motors

Passenger cars (except special patrol cars, ambulances, and also Oka passenger cars), snowmobiles, and accessories and spare parts for them

Movie equipment, magnetic tapes, microcassettes

Phonograph records (except children's and for training)

Watches

Typewriters

Perfumery items, makeup, hair care products (except shampoos and foams), suntan lotion and sun screen, cosmetic sets.

Souvenir tobacco items, cigars, cigarettes

Note. The Committee of the Russian Federation for Price Policy may, if necessary, in coordination with the interested ministries and departments, change the list of products specified by the present appendix, taking into account production and market conditions.

*Except products for production and technical purposes.

*Except items for children and materials for their manufacture.

DELOVOY MIR Economic Statistics, 26 December

934A0595A Moscow DELOVOY MIR in Russian
26 Dec 92 pp 2-3

[Report by economists Valeriy Galitskiy, Aris Zakharov, and Aleksandr Frenkel, Moscow: "Production of Consumer Goods Is Falling"]

[Text]

Prices on the Consumer Market

From 1 to 8 December the prices of basic food products in 132 surveyed cities in Russia rose overall by 5.1 percent, which is somewhat less than the preceding week.

According to the data from weekly observations, the price dynamics with respect to basic food products were as presented below:

	As a Percentage of the Preceding Date		
	11/24	12/01	12/08
Total	105.2	107.2	105.1
including:			
—in retail trade	105.1	106.6	104.9
—at city markets	105.3	108.6	105.6

The pace of price increases slowed down over the past week both in retail trade and at city markets. Prices for meat, butter, eggs, sugar, bread and bakery products, cereals and macaroni products, vegetables and potatoes rose at a relatively smaller rate. At the same time, the

rate of price increases with respect to milk and dairy products exceeded the analogous indicator for the preceding week, especially at city markets.

Over the period between 1 and 8 December, prices in the basic commodity groups changed as follows (in percentages):

	Total	Retail Trade	City Markets
All food products (70 items)	105.1	104.9	105.6
including:			
Meat and meat products	104.2	104.7	103.7
Milk and milk products	110.9	109.3	123.3
Eggs	108.1	107.9	110.0
Bakery products	101.8	101.8	
Cereals and macaroni products	105.3	104.8	
Potatoes and vegetables	103.3	101.7	104.3

On average in the Russian Federation over the period from 1 to 8 December prices for knitwear and footwear rose by 8 percent, and for sewn goods and electric items—by 6 percent.

No significant changes were observed over the week with respect to prices for fuels and energy. The average price for gasoline was 27.4 rubles [R] per liter. In Novy Urengoy and Norilsk it cost R7-9; in Magadan—R44 per liter.

The Social Sphere

The distribution of Russia's population according to per capita income in November 1992 is characterized by the following data (in percentages):

Total population, including those with the per capita monthly income, rubles:	
up to 500	0.0
501-1,000	0.5
1,001-1,500	2.5
1,501-2,000	5.0
2,001-2,500	7.2
2,501-3,000	8.4
3,001-3,500	8.9

3,501-4,000	8.8
4,001-4,500	8.4
4,501-5,000	7.7
5,001-5,500	7.0
5,501-6,000	6.2
6,001-6,500	5.5
6,501-7,000	4.8
7,001-7,500	4.2
7,501-8,000	3.6
8,001-8,500	3.2
8,501-9,000	2.7
9,001-9,500	2.4
9,501-10,000	2.1
over 10,000	0.9

The Consumer Market

Over the period 7-11 December the supply of bread improved somewhat—it was available for sale practically everywhere. At the same time, because of lower production volumes the situation became worse with respect to vegetable oil (it was not available for sale in 39 surveyed cities) and sugar (14), which is clear from the following data:

	As a Percentage of the Preceding Week			
	Production	Sales	Reserves in Retail Trade	Average Retail Price
Meat	77	97	105	102-111
Vegetable oil	92	94	96	104
Sugar	63	89	96	102
Bread	99.2	102	105 (flour)	101-104

Substantially higher prices for whole-milk products (by 8-30 percent over the week) led to declining sales. Last week milk, kefir, cottage cheese, etc. were available for sale in all cities with the exception of Yekaterinburg. A similar situation existed with respect to butter: With its price up by 9 percent, the number of cities where it was not available for sale dropped from 21 to 17.

There was a shortage of eggs in Pskov, Kursk, Nalchik, and Yakutsk. Residents of Arkhangelsk, Tambov, Stavropol, Makhachkala, and Vladikavkaz could not buy potatoes (only 28-58 percent of the planned quantities have been put into long-term storage in these territories); residents of Stavropol, Makhachkala, Vladikavkaz, and Ulan-Ude were in the same situation with respect to vegetables (48-62 percent).

Production cutbacks with respect to goods for children, accompanied at the same time by considerably increased prices for these items, seriously exacerbated the problem of purchasing children's clothing and footwear. Over the past week, girls' wool-blend dresses, children's jackets and pants, fake-fur coats for preschoolers, and children's winter boots were available for unrestricted sales in the surveyed stores in 30-49 cities (out of 76 surveyed). Residents of Pskov, Ivanovo, Orel, Ryazan, Yoshkar-Ola, Tambov, Astrakhan, Maykop, and Orenburg were experiencing difficulties with respect to purchasing these items.

Industry

Over January-November of this year Russian industry produced R13.3 trillion worth of goods in current prices, which is 13.6 times more in monetary terms than over the corresponding period of last year. At the same time, the index of industrial production in physical volume, determined on the basis of output dynamics with respect to the most important categories of goods in physical volume over 11 months, amounted to 81.4 percent.

The continuing decline of industrial production is characteristic of all industrial sectors. Over the elapsed period there was a decline in the production of 229 items (88 percent of all items counted in regular weekly reports) as compared with the corresponding period of last year; of them, the production of 121 (46 percent of the total number) fell by 20 percent or more. Among them are metal-cutting machine tools, drop forges, excavators, tractor-drawn attachments, tractors, grain harvesting combines, lumber, prefabricated ferroconcrete,

mineral fertilizers, synthetic dyes, cotton, silk, and woolen fabrics, knitwear, footwear, washing machines, and whole-milk products.

In the fuel industry sectors, over the period since the beginning of the year the production of oil fell by 15 percent, of coal—by 4 percent, and of gas—by 0.6 percent.

The average daily production of coal in November exceeded the October level by 3 percent. Over the month, 28 million tonnes of coal have been extracted; at the same time, coking coal extraction fell by 4 percent.

As in October, the average daily production of finished rolled metal in ferrous metallurgy increased in November by 8 percent as compared with the previous month. However, overall over 11 months the output of finished rolled metal fell by 8.1 million tonnes (16 percent) as compared with the same level last year. A considerable decline occurred in the output of a number of varieties of special-grade rolled metal: rails for wide-track railroads, beams, channels, rolled specialty steel—ball bearing and tool-making grade—whose production fell by more than one-quarter.

Among machine-building sectors, a difficult situation developed in the electric equipment industry. Over January-November 1992 the output of large electric machinery and low-power electric motors fell by 20 percent as compared with the corresponding period of last year; of alternate-current motors—by one-quarter; and of city telephone cables—by two-thirds. One of the factors that brought the industry to this situation is a shortage of copper—the basic raw material in the industry.

In the chemical and petrochemical industry, as a result of curtailed deliveries from CIS countries, as well as the reduced volume of production, the output of mineral fertilizers in November fell to the level of 734,000 tonnes, which is 35 percent less than the level of the same month last year. There was a considerable drop in the output of phosphate fertilizer, which has been in shortest supply anyway (from 325,000 tonnes in November of last year to 179,000 tonnes in November of this year, or by 45 percent). Overall over 11 months the output of mineral fertilizers was below the level of the corresponding period of last year by 2.7 million tonnes (21 percent). The output of pesticides and insecticides over the indicated period fell by 20,000 tonnes (25 percent). At the same time, their prices—as well as those for

mineral fertilizers—increased 17-20-fold since the beginning of the year as compared with last year's level.

Over the 11-month period R3.7 trillion worth of consumer goods was produced, which is 16 percent below last year's level. All regions in Russia curtailed the production of goods (with the exception of Murmansk and Magadan Oblasts and Maritime Kray). The greatest drop occurred at enterprises in the Kabardino-Balkar Republic and the Republics of Karachayevo-Cherkessia and Chechen-Ingushetiya, as well as in Ivanovo Oblast (by 31-45 percent). The main factors that brought about this curtailment of production are the lack of raw materials and supplies, difficulties in selling output because of consumers' inability to pay, and diminished demand for products because of drastically higher prices.

The situation in light industry enterprises is not improving, especially in the textile sector, which is most dependent on deliveries of raw materials from outside the republic. In November of this year enterprises of the Vladteks concern produced only one-fifth of last November's quantities of cotton fabric; the Ivteks and Mosteks concerns—27-37 percent.

A considerable decline in the production of nonfood consumer goods (not counting light industry output) occurred at enterprises in the city of St. Petersburg, Leningrad and Ulyanovsk Oblasts, the Republic of Buryatia, and Maritime Kray (by 21-32 percent). The reasons for the decline are the lack of material and technical as well as financial resources, and difficulties in selling the final product. The downward trend in the production of basic food products continues. The situation with respect to the production of basic food products in the absolute majority of Russian Federation regions remains unsatisfactory.

Over the elapsed period of the year, as compared with the corresponding period of last year, enterprises in all republics, krays, and oblasts have curtailed the production of meat and whole-milk products, and in practically all regions—of sausage, confectionery items, and cheeses.

The situation with respect to bread and bakery products is worsening. The greatest production decline, as compared with November of last year, has been observed at bakeries in the Republic of Komi (by 48 percent) and Karachayevo-Cherkessia (by 69 percent), Kaliningrad, Belgorod, Kurgan, Amur, and Chita Oblasts, and Krasnodar and Stavropol Krays (by 25-40 percent).

Agriculture

Overall, cattle wintering is proceeding in difficult conditions; a shortage of fodder, as well as disrepair of animal husbandry facilities and fodder preparation equipment, are having an effect. Cattle and poultry sales over the first two months of the wintering period declined in 54 regions of Russia as compared with the same period of last year; milk production and cow productivity—practically everywhere. Cattle mortality increased over

this period in all territories, with the exception of Smolensk, Moscow, Belgorod, and Ulyanovsk Oblasts, and Kalmykia and Tatarstan.

At the same time, over the past month some positive trends have developed in a number of territories. Slaughter of horned cattle has stopped at agricultural enterprises in Ivanovo and Ulyanovsk Oblasts, the Mordova SSR, the Chuvash and Udmurt Republics; and of pigs—in Kirov, Nizhniy Novgorod, and Perm Oblasts, the Republic of Komi, and the Mordova SSR.

Overall over 1992, expected volumes of cattle and poultry procurement will amount to approximately 7 million tonnes; of milk—26 million tonnes; and of eggs—by 24 billion units; these volumes are 30-40 percent below the average per annum figures for 1986-1990. Minimum mandatory deliveries to state stocks as of 1 December 1992 have been fulfilled as follows: 6.3 million tonnes of cattle and poultry (125 percent of mandatory delivery targets) and 24.8 million tonnes of milk (134 percent) have been procured.

Land reform continues. In November the number of peasant (private) farms in Russia as a whole grew by 11,400. The total number of peasant farms by 1 December 1992 amounted to 173,000, covering an area of 7.3 million hectares (42 hectares per farm on average). In addition, there are 112 reindeer-breeding farms, with an area of 21.1 million hectares, operating in the regions of the North; three horse-breeding farms—59,000 hectares, and 21 hunting and trapping enterprises—705,000 hectares.

Over the past month the average size of lots allocated to farmers has increased, amounting to 46 hectares as compared with 43 hectares in October. Larger farms were set up in November in Voronezh, Volgograd, Saratov, Orenburg, and Chita Oblast (85 to 90 hectares per farm on average), and in Altay Kray (122 hectares). Six to 15 hectares per farm were allocated to farmers in Pskov, Yaroslavl, Arkhangelsk, and Kaluga Oblast, Karelia, Chuvashia, and the Republic of Mari El.

Transportation

In the first 10 days of December the average daily loading volume at Russian Federation railroads declined by 18 percent as compared with December 1991 and amounted to 3.9 million tonnes.

Despite the lower volume of cargo shipping, the situation worsened with respect to railcar unloading: Average daily remainders of railcars with an expired unloading date, not unloaded by fault of the cargo recipient, amounted to 31,700 in the first 10 days of December of this year and were 1.1 times greater than November of this year and 1.2 times greater than December of last year. The greatest increases were observed in Chelyabinsk, Kemerovo, and Tyumen Oblasts and Krasnoyarsk and Krasnodar Krays (1.6-2.9 times).

Ground passenger urban transportation services for the population lag considerably behind the demand for such services. Over the week (30 November-6 December) in one out of three cities—republic capitals and kray and oblast centers—buses, trolley buses, and streetcars did not make 15 percent of scheduled trips. In Gorno-Altaysk and Groznyy about one half of scheduled trips were not made this week by ground urban passenger transport; in Astrakhan and Elista—39 percent; in Makhachkala—one third; and in Vladikavkaz, Moscow, Tver, Smolensk, and Cherkessk—one quarter.

The least satisfactory state of affairs with respect to suburban bus transportation was noted in the following cities: Groznyy (54 percent, or 700, scheduled trips not made); Vladikavkaz (45 percent, 900); Gorno-Altaysk (44 percent, 700); Makhachkala (40 percent, 900); Cherkessk (39 percent, 600); Moscow (30 percent, 18,200); Rostov-na-Donu (24 percent, 1,000); and Smolensk (21 percent, 400).

The greatest number of canceled suburban electric trains over the period 30 November-6 December of this year was observed in Chelyabinsk (33 trains, 8 percent of the scheduled number); Ivanovo (7 trains, 8 percent); Krasnoyarsk (41 trips, 6 percent); Groznyy (4 trips, 6 percent); St. Petersburg (147 trips, 4 percent); Vologda (22 trips, 3 percent); and Yekaterinburg (14 trips, 2 percent).

Fuel Reserves

There were no significant changes in the first 10 days of December with respect to fuel supplies for Russian Federation consumers. There were sufficient reserves of coal and boiler oil at electric power stations, housing and municipal services' boiler rooms, and rayon and city fuel distribution administration warehouses to last for one to one-and-a-half months.

Metallurgical industry enterprises remain in a difficult situation. Despite the fact that their coal reserves remained practically unchanged, there was only enough to last for 12 working days. Coking coal reserves were half the required norm.

There is a perceptible shortage of fuel resources in some regions of the Russian Federation. Thermal electric power stations in the Republics of Komi, Tatarstan, and Khakassia did not have sufficient supplies of coal. Electric power stations in the Republic of Buryatia and Kamchatka Oblast, which are fired predominantly by boiler oil, had a five-day supply as of 7 December; in Rostov Oblast—a four-day supply; and none in Arkhangelsk Oblast.

Coal reserves decreased from a seven-day to two-day supply at metallurgical enterprises in Altay Kray; as a week ago, there was only a two-day supply of it in Kaliningrad Oblast; metallurgical enterprises in Samara Oblast and Kabardino-Balkaria Republic were without coal entirely. Altay Kray and Orenburg Oblast had a two-day supply of coking coal, and Kemerovo Oblast—a four-day supply.

As of 7 December there was not much coal in boiler rooms in Bryansk Oblast (two-day supply), Voronezh Oblast and Mordova SSR (four-day); and of boiler oil in Tyumen and Irkutsk Oblasts (two- and seven-day supply).

There was only a two-day supply of coal available for the needs of the population in the Mordova SSR, a four-day supply—in Orel Oblast, and a seven-day supply—in the Republic of Khakassia. Reserves dwindled from a 13-day to a six-day supply in Arkhangelsk Oblast; from 19 to nine—in Amur Oblast; and from 25 to 10—in the Republic of Karachayevo-Cherkessia.

**Cost of the Basic Food Product Selection (as of 12/08/92),
Taking City Market Prices Into Account**

City	Selection Cost (rubles, kopeks)	Percentage of Change as Compared With Previous Registration
Magadan	1,477.81	-2.23
Yuzhno-Sakhalinsk	1,403.01	14.79
Murmansk	1,372.38	2.77
Apatity	1,348.11	7.13
Khabarovsk	1,320.81	9.81
Petropavlovsk-Kamchatskiy	1,320.54	4.18
Novokuznetsk	1,234.97	4.39
Komsomolsk-na-Amure	1,214.86	10.71
Nakhodka	1,151.48	0.30
Perm	1,148.54	11.04
Prokopyevsk	1,131.12	8.93
Severodvinsk	1,087.19	3.96
Chelyabinsk	1,061.72	1.53
Blagoveshchensk	1,052.44	8.31
St. Petersburg	1,039.73	2.26
Tomsk	1,037.18	-0.10
Cherepovets	1,034.97	13.18
Syktyvkar	1,032.76	3.50
Kaliningrad	1,032.73	6.76
Arkhangelsk	1,032.26	3.84
Moscow	1,025.34	8.54
Vladimir	1,025.26	5.49
Birbidzhan	1,024.33	-4.80
Novorossiysk	1,023.38	6.21
Kemerovo	1,015.79	7.49
Shakhty	1,013.88	4.73
Angarsk	997.48	7.50
Yaroslavl	992.29	11.34
Novosibirsk	983.70	3.59
Ukhta	979.43	12.33

Cost of the Basic Food Product Selection (as of 12/08/92),
Taking City Market Prices Into Account (Continued)

City	Selection Cost (rubles, kopeks)	Percentage of Change as Com- pared With Pre- vious Registration
Ivanovo	974.23	4.75
Arzamas	967.93	19.30
Yakutsk	966.55	3.22
Sovetsk	964.11	1.72
Izhevsk	962.52	2.53
Petrozavodsk	951.19	2.29
Makhachkala	947.19	7.23
Irkutsk	944.39	8.00
Vorkuta	927.88	4.73
Ulan-Ude	921.86	17.06
Krasnoyarsk	919.33	6.74
Kurgan	918.21	1.78
Kirov	906.86	16.37
Armavir	903.85	3.88
Novgorod	898.14	1.97
Chita	894.34	4.20
Yekaterinburg	890.92	4.42
Pskov	890.28	10.87
Yurga	888.66	8.46
Vologda	885.73	8.27
Dzerzhinsk	881.37	11.13
Tuapse	878.98	11.67
Tyumen	878.05	9.34
Shuya	876.95	1.11
Stavropol	865.19	7.80
Rybinsk	864.68	4.60
Mass	857.26	
Tver	849.86	16.81
Tayshet	842.49	5.66
Abakan	841.10	11.93
Serov	838.81	1.50
Nizhniy Tagil	833.29	7.45
Smolensk	829.71	-2.09
Salekhard	829.03	2.73
Kaluga	828.66	1.90
Vladikavkaz	827.36	4.52
Divnogorsk	826.57	4.96
Nizhniy Novgorod	821.82	7.12
Krasnodar	820.45	5.88
Obninsk	818.67	2.05
Kopeysk	806.09	2.21

Cost of the Basic Food Product Selection (as of 12/08/92),
Taking City Market Prices Into Account (Continued)

City	Selection Cost (rubles, kopeks)	Percentage of Change as Com- pared With Pre- vious Registration
Kostroma	799.37	10.49
Lipetsk	796.87	6.27
Cherkessk	793.29	17.17
Samara	788.09	3.73
Saratov	784.15	-1.56
Balakovo	776.61	4.03
Tolyatti	770.67	3.84
Orsk	768.50	10.63
Orenburg	765.82	7.18
Berdsk	765.81	0.07
Bryansk	762.26	-0.48
Ryazan	759.36	2.56
Groznyy	751.24	
Novomoskovsk	744.67	4.57
Cheboksary	743.48	7.01
Naberezhnyye Chelny	740.15	20.48
Kirovo-Chepetsk	735.44	7.34
Barnaul	735.19	1.40
Maykop	730.23	6.44
Nalchik	728.82	8.55
Kursk	728.74	-2.57
Nevinnomyssk	724.07	3.89
Norilsk	718.25	-0.44
Saransk	715.19	2.61
Tula	712.57	3.06
Syzran	712.13	-4.76
Volgograd	704.51	12.80
Biysk	700.93	-10.67
Rostov-na-Donu	700.30	5.02
Novocheboksarsk	698.08	12.53
Belgorod	696.63	0.57
Penza	689.07	5.57
Omsk	687.38	1.14
Volgodonsk	681.17	10.97
Gornyyak	672.08	8.74
Rubtsovsk	664.18	3.00
Ufa	663.89	6.13
Astrakhan	660.83	3.70
Elista	660.12	2.53
Shebekino	658.33	0.88
Kazan	652.57	2.59

**Cost of the Basic Food Product Selection (as of 12/08/92),
Taking City Market Prices Into Account (Continued)**

City	Selection Cost (rubles, kopeks)	Percentage of Change as Com- pared With Pre- vious Registration
Neftekamsk	652.55	5.31
Sterlitamak	637.39	6.72
Yoshkar-Ola	635.42	2.43
Voronezh	632.06	3.37
Taganrog	631.60	1.87
Kyzyl	629.22	-1.09
Chistopol	627.89	3.97
Novyy Oskol	624.41	3.83
Tambov	615.24	1.29
Kamyshin	614.20	5.28
Ishimbay	597.77	1.46
Orel	580.49	3.20
Yelets	541.98	0.59
Ulyanovsk	384.26	-5.40
Russian Federation	889.46	5.34

In order to compare the cost of a list of identical products in different cities, a selection of 19 representative products is used as a basis, proceeding from the minimum consumer budget calculated per male of work-eligible age, as developed by the former Goskomtrud [State Committee for Labor and Social Problems]; it was used for the first time in calculating the minimum consumer budget for the 500 Days program. These products (consumption volumes are indicated on a per-year basis) include: rye bread (92 kg), wheat bread (86.7 kg), millet (18.1 kg), vermicelli (7.3 kg), sugar (24.8 kg), vegetable oil (10 kg), butter (3.6 kg), beef (42.0 kg), boiled sausage (2.2 kg), salami (1.1 kg), milk (184.3 liters), sour cream (4.2 kg), hard cheese (2.0 kg), eggs (183), potatoes (146 kg), fresh cabbage (29.8 kg), onion (10.2 kg), apples (11 kg), and cigarettes (96 packs).

This listing was chosen by virtue of the relative stability seen in availability of these products for sale, enabling a well-founded analysis to be made of the cost dynamics of the product selection.

Only those cities were taken into consideration where not more than three items from the listing were absent during the given or preceding price registration, since it is assumed that otherwise, the calculated data would not provide an objective cost-of-living picture.

If the item was absent during the 12/08/92 registration, its price was substituted in the calculation by the value observed during the preceding registrations.

Presence (Absence) of Goods in Cities as Registered on 8 December

Product	Number of Cities Where Item Was Available As of Survey Date	Number of Cities Where Item Was Not Available As of Survey Date	Cities Where Item Was Not Available As a Percentage of All Cities	Number of Cities Where Item Was Available As of Survey Date	Number of Cities Where Item Was Not Available As of Survey Date	Cities Where Item Was Not Available As a Percentage of All Cities
	in retail trade			total		
Beef, Category I	119	13	9.85	130	2	1.52
Pork	70	62	46.97	124	8	6.06
Meat patties (per 10)	48	84	63.64	48	84	63.64
Pelmeni (meat-filled dumplings), frozen	55	77	58.33	55	77	58.33
Boiled sausage, Grade I	119	13	9.85	119	13	9.85
Salami, Grade I	121	11	8.33	121	11	8.33
Live fish	29	103	78.03	37	95	71.97
Mackerel, quick-frozen, refriger- ated, unsegmented	14	118	89.39	14	118	89.39
Fish filet (mackerel)	6	126	95.45	6	126	95.45
Smoked fish (mackerel)	29	103	78.03	29	103	78.03
Herring, salted and brined, ivasi	73	59	44.70	73	59	44.70
Butter	108	24	18.18	116	16	12.12
Vegetable oil	90	42	31.82	103	29	21.97
Melted pork fat	24	108	81.82	28	104	78.79
Table margarine	92	40	30.30	92	40	30.30
Pasteurized milk, 1.5-3.5 percent fat	128	4	3.03	129	3	2.27

Presence (Absence) of Goods in Cities as Registered on 8 December (Continued)

Product	Number of Cities Where Item Was Available As of Survey Date	Number of Cities Where Item Was Not Available As of Survey Date	Cities Where Item Was Not Available As a Percentage of All Cities	Number of Cities Where Item Was Available As of Survey Date	Number of Cities Where Item Was Not Available As of Survey Date	Cities Where Item Was Not Available As a Percentage of All Cities
Fatty kefir	94	38	28.79	94	38	28.79
Sour cream	120	12	9.09	125	7	5.30
Cottage cheese	60	72	54.55	99	33	25.00
Low-fat cottage cheese	36	96	72.73	38	94	71.21
Powdered cow's milk	45	87	65.91	45	87	65.91
Hard rennet cheese (of the varieties Poshekhonskiy, Roslavl'skiy, Kostromskoy, Yaroslavl'skiy, Gollandskiy, etc.)	92	40	30.30	93	39	29.55
Pasteurized processed cheese (of the varieties Druzhba, Volna, Yantar, Leto)	47	85	64.39	47	85	64.39
Feta cheese	4	128	96.97	8	124	93.94
Canned fish, price per standard 350-gram can, natural, with oil added (mackerel, scad)	57	75	56.82	57	75	56.82
Canned fish, price per standard 350-gram can, salmon in tomato sauce	16	116	87.88	16	116	87.88
Canned tomato puree and paste	65	67	50.76	65	67	50.76
Canned fruit for babies	70	62	46.97	70	62	46.97
Chicken eggs (price per 10)	120	12	9.09	126	6	4.55
Granulated sugar	109	23	17.42	110	22	16.67
Ordinary cookies (of the variety Apelsinovoye, Privet, etc.)	108	24	18.18	108	24	18.18
Spice cake, bulk	111	21	15.91	111	21	15.91
Caramel candy, wrapped	58	74	56.06	58	74	56.06
Bohea black tea, highest quality	94	38	28.79	94	38	28.79
Salt	112	20	15.15	112	20	15.15
Rye flour	8	124	93.94	8	124	93.94
Highest grade wheat flour	103	29	21.97	104	28	21.21
Rye bread	28	104	78.79	28	104	78.79
Rye-wheat bread	74	58	43.94	74	58	43.94
Wheat bread from entire-wheat flour	2	130	98.48	2	130	98.48
Wheat bread from highest grade flour	56	76	57.58	57	75	56.82
Wheat bread from Grade I and Grade II flour	98	34	25.76	98	34	25.76
Rolls and buns from highest grade wheat flour, price per 500 grams	100	32	24.24	100	32	24.24
Rolls and buns from Grade I wheat flour, price per 500 grams	45	87	65.91	45	87	65.91
Rolls and buns from Grade II wheat flour, price per 500 grams	0	132	100.00	0	132	100.00
Pretzels, Grade I wheat flour	75	57	43.18	75	57	43.18
Rusks, Grade I wheat flour	64	68	51.52	64	68	51.52

Presence (Absence) of Goods in Cities as Registered on 8 December (Continued)

Product	Number of Cities Where Item Was Available As of Survey Date	Number of Cities Where Item Was Not Available As of Survey Date	Cities Where Item Was Not Available As a Percentage of All Cities	Number of Cities Where Item Was Available As of Survey Date	Number of Cities Where Item Was Not Available As of Survey Date	Cities Where Item Was Not Available As a Percentage of All Cities
Milled and polished rice	101	31	23.48	102	30	22.73
Semolina	101	31	23.48	101	31	23.48
Milled millet	67	65	49.24	67	65	49.24
Unground buckwheat	54	78	59.09	54	78	59.09
Gerkules oatmeal	42	90	68.18	42	90	68.18
Ground split peas	29	103	78.03	29	103	78.03
Macaroni, ordinary and fancy, various styles of cut (long and short), made from highest grade wheat flour	59	73	55.30	60	72	54.55
Macaroni, ordinary and fancy, various styles of cut (long and short), made from Grade 1 wheat flour	13	119	90.15	13	119	90.15
Noodles, made from highest grade wheat flour	70	62	46.97	70	62	46.97
Vermicelli, made from highest grade wheat flour	115	17	12.88	115	17	12.88
Elbow macaroni, all varieties, from highest grade wheat flour	88	44	33.33	88	44	33.33
80-proof vodka, price per liter	113	19	14.39	115	17	12.88
Mayonnaise	63	69	52.27	64	68	51.52
Potatoes	122	10	7.58	130	2	1.52
Fresh green-head cabbage	118	14	10.61	123	9	6.82
Yellow onions	129	3	2.27	130	2	1.52
Garlic	42	90	68.18	107	25	18.94
Red beets	115	17	12.88	121	11	8.33
Carrots	117	15	11.36	129	3	2.27
Apples	109	23	17.42	123	9	6.82
Tobacco products, price per pack of papirosy cigarettes	74	58	43.94	79	53	40.15
Tobacco products, price per pack of filter cigarettes	118	14	10.61	119	13	9.85
Matches	121	11	8.33	123	9	6.82

Presence (Absence) of Goods in Cities as Registered on 8 December

Product	Number of Cities Where Item Was Available As of Survey Date	Number of Cities Where Item Was Not Available As of Survey Date	Cities Where Item Was Not Available As a Percentage of All Cities
in retail trade			
Men's light overcoat, wool blend	56	76	57.58
Two-piece suit, wool blend	118	14	10.61
Men's trousers, wool blend suit fabric	121	11	8.33
Men's shirt, cotton fabric	117	15	11.36
Women's light overcoat, wool blend	108	24	18.18
Women's dress, wool blend	75	57	43.18
Boys' jacket, lined, synthetic fabric	107	25	18.94

Presence (Absence) of Goods in Cities as Registered on 8 December (Continued)

Product	Number of Cities Where Item Was Available As of Survey Date	Number of Cities Where Item Was Not Available As of Survey Date	Cities Where Item Was Not Available As a Percentage of All Cities
Girls' dress, wool blend	69	63	47.73
Boys' shirt, flannel or fustian	76	56	42.42
Men's jumper (sweater), pure wool yarn	99	33	25.00
Children's T-shirt, cotton fabric	86	46	34.85
Women's pantyhose, elastic	126	6	4.55
Men's socks, cotton	122	10	7.58
Children's socks, cotton	108	24	18.18
Children's tights, cotton	117	15	11.36
Men's low shoes, fashion, with natural leather sole	80	52	39.39
Women's boots, low-heel or platform sole, lined with textile material, with polyurethane sole	104	28	21.21
Women's summer shoes, fashion, with high (or medium) heel, with natural leather sole or imitation leather	97	35	26.52
Summer shoes for school-age girls, medium heel, porous rubber sole	81	51	38.64
Refrigerator, floor-standing, semi-automatic defrost (KSh-260)	45	87	65.91
Electric iron, automatic	88	44	33.33
Color television, non-portable (screen diagonal 61 cm)	73	59	44.70
Gasoline	124	8	6.06
Coal	115	17	12.88
Firewood	101	31	23.48
Peat briquettes	25	107	81.06

Average Prices for Food Products in the Russian Federation (Retail Trade)

Representative products	11/17/92	11/24/92	12/01/92	12/08/92
Beef, Category I	156.91	166.34	178.87	181.80
Pork	171.50	189.56	210.36	233.51
Meat patties (per 10)	126.11	131.11	142.22	152.94
Pelmeni [meat-filled dumplings], frozen	119.03	124.03	127.46	139.94
Boiled sausage, Grade I	231.64	242.02	258.24	275.28
Salami, Grade I	351.25	374.50	395.88	413.54
Live fish	80.83	83.75	103.23	111.53
Mackerel, quick-frozen, refrigerated, unsegmented	90.18	91.03	108.09	118.51
Fish filet (mackerel)	93.27	122.44	167.96	178.05
Smoked fish (mackerel)	203.98	205.69	198.06	228.04
Herring, salted and brined, ivasi	157.32	174.21	201.37	220.67
Butter	326.89	336.30	388.08	421.68
Vegetable oil	135.11	140.14	170.22	177.81
Melted pork fat	125.17	136.42	151.15	209.06
Table margarine	148.09	161.06	155.55	203.57
Pasteurized milk, 1.5-3.5 percent fat	16.99	17.40		20.74

Average Prices for Food Products in the Russian Federation (Retail Trade) (Continued)

Representative products	11/17/92	11/24/92	12/01/92	12/08/92
Fatty kefir	18.93	19.34	20.77	22.42
Sour cream	111.61	115.72	123.59	138.23
Cottage cheese	86.89	94.57	107.63	116.55
Low-fat cottage cheese	48.38	44.65	50.22	65.43
Powdered cow's milk	143.15	157.83	191.35	165.13
Hard rennet cheese (of the varieties Rossiyskiy, Poshekhonskiy, Kostromskoy, Yaroslavskiy, Gollandskiy, etc.)	265.56	289.86	317.55	349.70
Pasteurized processed cheese (of the varieties Druzhba, Volna, Yantar, Leto)	194.95	197.74	226.08	241.42
Feta cheese	182.59	174.26	175.67	288.55
Canned fish, price per standard 350-gram can, natural, with oil added (mackerel, scad)	68.02	73.01	80.18	88.99
Canned fish, price per standard 350-gram can, salmon in tomato sauce	91.47	102.95	108.98	114.10
Canned tomato puree and paste	101.98	114.69	145.48	155.16
Canned fruit for babies	130.41	132.46	134.66	143.68
Chicken eggs (price per 10)	61.47	62.53	69.29	74.74
Granulated sugar	109.60	113.54	123.85	126.70
Ordinary cookies (of the variety Apelsinovoye, Privet, etc.)	123.33	128.51	140.05	145.94
Spice cake, bulk	104.65	108.31	115.64	118.59
Caramel candy, wrapped	214.78	247.95	276.36	283.20
Bohea black tea, highest quality	788.92	876.93	904.96	1,012.55
Salt	8.84	9.38	9.65	9.98
Rye flour	20.10	19.08	18.42	19.85
Highest grade wheat flour	40.21	42.62	42.80	44.78
Rye bread	21.25	21.02	20.99	21.73
Rye-wheat bread	23.58	23.08	23.96	24.21
Wheat bread from all-wheat flour	5.00	5.00	15.00	15.26
Wheat bread from highest grade flour	38.47	39.57	42.07	43.57
Wheat bread from Grade I and Grade II flour	26.71	28.43	29.92	30.50
Rolls and buns from highest grade wheat flour, price per 500 grams	23.54	23.39	23.51	23.29
Rolls and buns from Grade I wheat flour, price per 500 grams	19.94	19.78	23.55	22.33
Rolls and buns from Grade II wheat flour, price per 500 grams	30.00	30.00		
Pretzels, Grade I wheat flour	79.11	79.65	83.14	89.03
Rusk, Grade I wheat flour	94.29	97.80	101.67	111.48
Milled and polished rice	63.71	68.57	72.79	75.72
Semolina	34.67	37.09	40.55	45.50
Milled millet	39.66	39.59	40.80	46.16
Unmilled buckwheat	92.85	93.38	106.96	108.05
Gerkules oatmeal	56.87	71.77	76.88	77.76
Ground split peas	40.86	46.82	57.24	57.21

Average Prices for Food Products in the Russian Federation (Retail Trade) (Continued)

Representative products	11/17/92	11/24/92	12/01/92	12/08/92
Macaroni, regular and fancy, various styles of cut (long and short), made from highest grade wheat flour	78.07	79.68	85.24	90.84
Macaroni, regular and fancy, various styles of cut (long and short), made from Grade I wheat flour	51.06	52.07	50.99	51.76
Noodles, made from highest grade wheat flour	60.23	63.65	63.50	67.32
Vermicelli, made from highest grade wheat flour	58.54	60.64	66.48	69.86
Elbow macaroni, all varieties, from highest grade wheat flour	58.94	60.97	64.60	68.35
80-proof vodka, price per liter	415.27	452.07	477.60	477.93
Mayonnaise	175.12	188.38	202.07	239.75
Potatoes	25.70	26.67	29.79	29.18
Fresh green-head cabbage	22.83	26.23	26.73	27.73
Yellow onions	31.63	32.01	32.27	33.73
Garlic	231.27	241.02	242.24	262.52
Red beets	27.71	28.76	30.57	30.44
Carrots	31.36	32.24	33.32	33.56
Apples	77.37	81.09	90.76	98.83
Tobacco products, price per pack of papirosy cigarettes	35.27	37.56	39.07	40.44
Tobacco products, price per pack of filter cigarettes	81.71	85.41	91.82	98.91
Matches	1.56	1.55	1.61	1.61

Note: The commodity price is per kilogram; meat cutlets and eggs—for 10; milk, kefir, and vodka—per liter; canned fish products per standard can; tobacco items and matches—per pack

Average Prices of Nonfood Products in the Russian Federation

Representative product	11/17/92	11/24/92	12/01/92	12/08/92
Men's light overcoat, wool blend	6,945.57	6,502.04	7,125.40	7,206.04
Two-piece suit, wool blend	4,269.77	4,548.33	4,837.16	5,373.36
Men's trousers, wool blend suit fabric	1,088.42	1,114.09	1,193.47	1,263.05
Men's shirt, cotton fabric	533.83	539.29	584.44	621.33
Women's light overcoat, wool blend	6,276.89	6,423.96	7,025.80	7,573.45
Women's dress, wool blend	1,112.51	1,292.93	1,227.44	1,322.62
Boys' jacket, lined, synthetic fabric	2,393.22	2,395.58	2,566.32	2,584.41
Girls' dress, wool blend	441.47	448.59	451.18	492.41
Boy's shirt, flannel or fustian	151.93	163.93	169.89	175.52
Men's jumper (sweater), pure wool yarn	3,212.20	3,467.18	3,975.94	4,330.15
Children's T-shirt, cotton fabric	63.16	65.44	66.88	69.57
Women's pantyhose, elastic	129.55	132.96	137.01	140.47
Men's socks, cotton	57.14	57.84	61.67	63.93
Children's socks, cotton	25.14	25.83	26.82	28.16
Children's tights, cotton	90.96	97.35	102.69	106.63
Men's low shoes, fashion, with natural leather sole	3,385.17	3,825.40	4,211.02	4,272.22
Women's boots, low-heel or platform sole, lined with textile material, with polyurethane sole	8,788.25	9,062.78	9,709.66	10,760.32
Women's summer shoes, fashion, with high (or medium) heel, with natural leather sole or imitation leather	2,886.43	2,992.93	3,310.91	3,550.48

Average Prices of Nonfood Products in the Russian Federation (Continued)

Representative product	11/17/92	11/24/92	12/01/92	12/08/92
Summer shoes for school-age girls, medium heel, porous rubber sole	518.63	535.30	541.78	535.67
Refrigerator, floor-standing, semi-automatic defrost (KSh-260)	47,566.76	44,896.27	53,167.98	54,945.68
Electric iron, automatic	1,317.66	1,355.22	1,389.62	1,531.24
Color television, non-portable (screen diagonal 61 cm)	48,235.05	52,552.55	54,281.63	58,516.86
Gasoline	24.97	25.37	26.48	27.35
Coal	214.08	216.09	217.68	217.40
Firewood	95.57	96.12	96.14	95.62
Peat briquettes	178.63	179.20	183.18	180.53
Electric power (urban localities)	0.35	0.35	0.35	0.35
Electric power (rural localities)	0.23	0.23	0.23	0.23

Note: commodity price is per unit, gasoline—per liter, coal—per tonne, firewood and peat briquettes—per cubic meter, electric power—per kilowatt-hour.

Cities With Maximum and Minimum Prices (As of 12/08/92), Taking City Market Prices Into Account, Rate of Increase (+) or Decrease (-) as a Percentage of Value as of 12/01/92

City	Minimum price per product unit (rubles, kopeks)	Rate (Percent)	City	Maximum price per product unit (rubles, kopeks)	Rate (Percent)
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(food products)

Category 1 beef: Average price for Russian Federation—R217.21

Ulyanovsk	104.59	-17.08	Yuzhno-Sakhalinsk	556.67	46.49
Astrakhan	117.05	-5.06	Surgut	410.00	2.50
Cherkessk	117.82	2.90	Magadan	355.33	-0.22
Bryansk	123.25	-2.07	Khabarovsk	342.64	14.72
Kostroma	131.98	0.48	Petropavlovsk-Kamchatskiy	316.67	22.79
Yelets	135.28	8.65	Komsomolsk-na-Amure	315.32	-1.76
Gorno-Altaysk	135.71	0.94	Kaliningrad	313.44	14.65
Norilsk	140.00	0.00	Nakhodka	306.67	-4.54
Gornyyak	140.00	7.69	Yekaterinburg	301.74	8.43
Novocheboksarsk	144.00	0.00	Naberezhnyye Chelny	300.00	50.00

Grade 1 cooked sausage: Average price for Russian Federation—R275.59

Shakhty	152.00	0.00	Magadan	564.00	-4.91
Novocheboksarsk	152.00		Novyy Urengoy	450.00	0.00
Yelets	154.00	0.00	Salekhard	440.00	10.00
Syzran	161.00	-16.36	Cherepovets	440.00	83.33
Cheboksary	166.21	-2.41	Yuzhno-Sakhalinsk	425.00	5.46
Vorkuta	169.19	-5.78	Kopeysk	400.00	0.00
Smolensk	172.80	-0.69	Chelyabinsk	400.00	0.00
Kirovo-Chepetsk	175.56	8.96	Tyumen	392.79	17.95
Yoshkar-Ola	177.00	0.00	Elektrostal	373.20	21.79
Novyy Oskol	179.00	-0.56	Khabarovsk	347.20	78.97

Cities With Maximum and Minimum Prices (As of 12/08/92), Taking City Market Prices Into Account, Rate of Increase (+) or Decrease (-) as a Percentage of Value as of 12/01/92 (Continued)

City	Minimum price per product unit (rubles, kopeks)	Rate (Percent)	City	Maximum price per product unit (rubles, kopeks)	Rate (Percent)
Grade I salami: Average price for Russian Federation—R416.20					
Novyy Oskol	214.00	0.00	Yakutsk	908.18	-3.28
Biysk	232.00	-7.94	Magadan	848.67	8.08
Elista	238.00	-7.75	Novyy Urengoy	752.00	0.00
Lipetsk	239.00	-4.53	Vladivostok	706.50	37.02
Cheboksary	243.12	5.95	Nakhodka	700.00	38.61
Yelets	243.80	-0.16	Cherepovets	680.00	
Saransk	249.00	-8.60	Khabarovsk	659.17	6.09
Neftekamsk	257.00	0.00	Taganrog	656.00	0.08
Rubtsovsk	258.00	0.00	Yuzhno-Sakhalinsk	650.00	-14.47
Novocheboksarsk	262.00	-16.83	Vorkuta	641.14	53.08
Butter: Average price for Russian Federation—R422.82					
Ulyanovsk	78.71	-0.37	Blagoveshchensk	829.09	48.05
Orel	200.00	-2.44	Divnogorsk	740.00	8.42
Murmansk	218.00		Abakan	700.00	16.67
Naberezhnyye Chelny	240.00	0.00	Prokopyevsk	682.00	24.00
Chistopol	240.00	0.00	Krasnoyarsk	660.00	4.24
Kazan	242.16	-0.21	Petrozavodsk	609.10	8.38
Norilsk	250.00	0.00	Tomsk	603.54	7.78
Volgograd	251.39	0.22	Orehovo-Zuyevo	588.00	
Ukhta	260.00	-12.97	Yaroslavl	585.00	46.25
Neftekamsk	260.00		Birobidzhan	576.04	6.24
Vegetable oil: Average price for Russian Federation—R183.88					
Ulyanovsk	50.00	0.00	Komsomolsk-na-Amure	447.50	0.00
Yuzhno-Sakhalinsk	55.00	0.00	Khabarovsk	380.00	0.00
Norilsk	60.00	0.00	Birobidzhan	380.00	0.00
Rubtsovsk	75.00	0.00	Novocheboksarsk	360.00	
Naberezhnyye Chelny	75.00		Murmansk	340.00	0.00
Salekhard	77.00	0.00	Sovetsk	320.00	33.33
Belgorod	82.19	-3.43	Blagoveshchensk	316.00	0.00
Chistopol	83.75	11.67	Rybinsk	300.00	3.45
Neftekamsk	90.00	0.00	Kaliningrad	266.69	12.75
Armavir	96.57	1.19	Novosibirsk	266.47	-8.11
Pasteurized milk, 1.5-3.5-percent fat: Average price for Russian Federation—R21.23					
Ulyanovsk	2.00	0.00	Vladivostok	79.13	51.85
Tyumen	2.18	-29.68	Orehovo-Zuyevo	65.00	8.33
Kyzyl	6.00	0.00	Severodvinsk	62.00	14.81
Volgodonsk	6.30	0.64	Murmansk	57.20	8.46
Nalchik	8.00	0.00	Nakhodka	53.50	-2.28
Orel	8.18	-1.45	Makhachkala	50.00	51.52
Balakovo	8.18	-0.37	Apatity	50.00	0.00

Cities With Maximum and Minimum Prices (As of 12/08/92), Taking City Market Prices Into Account, Rate of Increase (+) or Decrease (-) as a Percentage of Value as of 12/01/92 (Continued)

City	Minimum price per product unit (rubles, kopeks)	Rate (Percent)	City	Maximum price per product unit (rubles, kopeks)	Rate (Percent)
Gorno-Altaysk	8.55	0.12	Novokuznetsk	48.64	17.04
Omsk	8.79	-0.11	Cherkessk	46.35	83.93
Naberezhnyye Chelny	9.00	0.00	Tomsk	44.16	24.01

Sour cream: Average price for Russian Federation—R174.43

Ulyanovsk	31.88	-1.57	Makhachkala	400.00	33.33
Elista	50.00	0.00	Abakan	400.00	211.87
Rubtsovsk	62.00	0.00	Astrakhan	370.00	5.71
Neftekamsk	65.00	0.00	Petropavlovsk-Kam-chatskiy	340.19	0.96
Kursk	65.90	25.19	Moscow	336.56	14.82
Gorno-Altaysk	69.23	0.00	Vladivostok	308.30	110.06
Novyy Oskol	70.28	-0.06	St. Petersburg	290.97	-4.35
Cheboksary	75.00	0.00	Yuzhno-Sakhalinsk	289.12	10.55
Novocheboksarsk	75.00	0.00	Angarsk	287.41	38.03
Surgut	79.00	0.00	Groznyy	281.17	20.80

Hard rennet cheese (of the variety Poshekhonskiy, Rossiyskiy, Kostromskoy, Yaroslavskiy, Gollandskiy, etc.): Average price for Russian Federation—R361.25

Sterlitamak	180.00	-13.88	Magadan	572.77	4.36
Nalchik	180.00	-1.10	Groznyy	487.40	
Kostroma	185.97	7.10	Yakutsk	478.59	6.06
Yelets	192.00	9.09	Moscow	475.55	23.31
Ulyanovsk	200.00	47.06	Yuzhno-Sakhalinsk	463.00	-11.81
Ufa	200.00	21.21	St. Petersburg	442.68	2.44
Yoshkar-Ola	200.00	15.20	Divnogorsk	430.00	0.00
Lipetsk	200.44	0.22	Tver	420.67	33.76
Kursk	204.00		Krasnoyarsk	398.62	2.82
Syzran	205.00	-14.94	Blagoveshchensk	395.00	-1.25

Chicken eggs—price for 10: Average price for Russian Federation—R75.85

Ulyanovsk	23.94	-9.73	Birobidzhan	187.22	17.01
Kyzyl	40.77	5.02	Khabarovsk	181.30	1.43
Ufa	42.80	16.30	Komsomolsk-na-Amure	160.00	0.00
Ishimbay	44.03	0.00	Yuzhno-Sakhalinsk	144.00	0.00
Sterlitamak	44.17	0.39	Magadan	142.08	8.05
Orel	45.74	-1.25	Sovetsk	134.44	-10.37
Elista	50.00		Petropavlovsk-Kam-chatskiy	129.00	0.00
Rybinsk	50.80	1.60	Blagoveshchensk	114.71	31.10
Yaroslavl	51.64	-4.37	St. Petersburg	112.31	-5.78
Samara	52.32	10.64	Vladikavkaz	110.53	14.75

Granulated sugar: Average price for Russian Federation—R127.30

Ulyanovsk	35.00	0.00	Ulan-Ude	232.00	54.67
Gornyyak	40.00	0.00	Cherepovets	200.00	

Cities With Maximum and Minimum Prices (As of 12/08/92), Taking City Market Prices Into Account, Rate of Increase (+) or Decrease (-) as a Percentage of Value as of 12/01/92 (Continued)

City	Minimum price per product unit (rubles, kopeks)	Rate (Percent)	City	Maximum price per product unit (rubles, kopeks)	Rate (Percent)
Novyy Oskol	41.00	0.00	Nizhniy Tagil	198.00	44.53
Barnaul	43.00	0.00	Yaroslavl	190.20	56.06
Shebekino	66.00	0.00	Izhevsk	185.00	1.83
Omsk	66.00	0.00	Groznyy	180.00	0.00
Belgorod	71.37	8.14	Balakovo	180.00	-10.00
Orel	74.64	2.64	Novgorod	178.00	11.25
Maykop	75.00	0.00	Kostroma	175.00	31.58
Tambov	77.00	0.00	Ivanovo	175.00	9.72

Rye-wheat bread: Average price for Russian Federation—R24.21

Ulyanovsk	4.71	0.00	Apatity	65.28	0.00
Kamyshin	6.67	0.00	Novosibirsk	42.50	0.00
Rostov-na-Donu	8.88	0.00	Murmansk	41.25	0.00
Taganrog	10.00	0.00	Kemerovo	38.89	9.36
Voronezh	10.53	0.00	Vorkuta	37.50	0.00
Salekhard	12.30	4.59	Izhevsk	35.92	0.00
Ufa	13.04	0.00	Severodvinsk	35.56	-11.10
Ishimbay	13.04	0.00	Tayshet	34.10	0.00
Sterlitamak	13.04	0.00	Rybinsk	33.33	-3.22
Penza	15.00	0.00	Ukhta	33.30	0.00

Wheat bread made of first and second grade flour: Average price for Russian Federation—R30.50

Groznyy	1.18		Apatity	71.76	0.00
Makhachkala	6.00	0.00	Kemerovo	53.85	9.38
Tyumen	6.67	0.00	Yurga	49.33	12.11
Volgograd	8.11	0.00	Novokuznetsk	48.50	10.23
Kamyshin	8.11	0.00	Angarsk	46.67	0.00
Taganrog	10.00	0.00	Murmansk	45.00	23.39
Shakhty	10.00	0.00	Prokopyevsk	45.00	0.00
Naichik	10.00	0.00	Nakhodka	44.00	0.00
Rostov-na-Donu	10.67	0.00	Novorossiysk	44.00	13.99
Volgodonsk	10.67	0.00	Tuapse	43.00	0.00

Milled millet: Average price for Russian Federation—R46.28

Tambov	7.00		Arzamas	88.00	
Tula	7.00		Bryansk	72.00	0.00
Shebekino	10.00		Tyumen	68.00	11.48
Elista	10.00	0.00	St. Petersburg	66.40	1.64
Orsk	11.50	0.00	Tuapse	66.00	0.00
Petropavlovsk-Kamchatskiy	12.67		Penza	65.29	0.18
Tolyatti	15.00	0.00	Novosibirsk	64.06	-4.77
Volgodonsk	17.00	88.89	Omsk	64.00	6.67
Makhachkala	17.00	0.00	Yekaterinburg	62.45	0.06
Chita	21.00		Angarsk	61.00	0.00

Cities With Maximum and Minimum Prices (As of 12/08/92), Taking City Market Prices Into Account, Rate of Increase (+) or Decrease (-) as a Percentage of Value as of 12/01/92 (Continued)

City	Minimum price per product unit (rubles, kopeks)	Rate (Percent)	City	Maximum price per product unit (rubles, kopeks)	Rate (Percent)
Vermicelli from the highest grade of wheat: Average price for Russian Federation—R70.21					
Naichik	24.00	0.00	Biysk	117.00	0.00
Lipetsk	31.22	9.43	Chistopol	111.00	0.00
Chita	32.44	-1.70	Kazan	111.00	0.00
Yelets	33.00	32.00	Vladivostok	105.71	0.00
Astrakhan	34.83	2.53	Serov	100.00	5.26
Yakutsk	35.00	-16.67	Arzamas	100.00	19.05
Ulan-Ude	36.00	-5.26	Novorossiysk	99.00	0.00
Pskov	39.00	0.00	Omsk	98.50	12.73
Kyzyl	39.44	1.13	Samara	96.00	0.00
Norilsk	40.00	0.00	Yoshkar-Ola	95.00	0.00
Potatoes: Average price for Russian Federation—R32.75					
Ishimbay	6.29	1.78	Magadan	88.15	-2.53
Sterlitamak	8.54	-4.04	Apatity	65.00	0.00
Gornyyak	10.00	0.00	Petropavlovsk-Kamchatskiy	60.00	-2.93
Ulyanovsk	10.00	0.00	Norilsk	60.00	0.00
Naberezhnyye Chelny	10.00	0.00	St. Petersburg	52.21	8.27
Chistopol	10.00	0.00	Severodvinsk	50.00	0.00
Novyy Oskol	10.00	0.00	Moscow	46.15	1.16
Rubtsovsk	10.14	8.68	Yakutsk	45.66	1.47
Biysk	11.00	4.27	Arkhangelsk	45.11	-2.99
Yelets	11.20	1.85	Volgodonsk	43.93	0.41
Fresh green-head cabbage: Average price for Russian Federation—R27.66					
Ulyanovsk	8.47	4.96	Yakutsk	104.00	9.47
Cherkessk	8.49	-5.67	Magadan	100.00	0.00
Chistopol	9.00	-26.23	Irkutsk	92.76	81.88
Novocheboksarsk	10.00	11.11	Apatity	68.00	0.00
Yoshkar-Ola	10.11	1.10	Petropavlovsk-Kamchatskiy	56.56	1.64
Yelets	10.78	-3.75	Petrozavodsk	55.00	12.82
Kamyshin	11.00	2.33	Murmansk	55.00	0.00
Saratov	11.15	34.66	Angarsk	50.08	6.49
Tolyatti	12.00	-26.52	Vladimir	50.00	51.52
Naberezhnyye Chelny	12.00	0.50	Komsomolsk-na-Amure	46.00	0.00
Yellow onion: Average price for Russian Federation—R36.11					
Yoshkar-Ola	15.45	-8.58	Petropavlovsk-Kamchatskiy	99.00	19.54
Rostov-na-Donu	16.00	-5.88	Magadan	75.83	-11.90
Groznyy	17.65	-2.16	Norilsk	75.54	-31.33
Taganrog	18.14	1.51	Apatity	70.00	0.00
Cherkessk	18.84	-19.83	Moscow	65.25	3.90

Cities With Maximum and Minimum Prices (As of 12/08/92), Taking City Market Prices Into Account, Rate of Increase (+) or Decrease (-) as a Percentage of Value as of 12/01/92 (Continued)

City	Minimum price per product unit (rubles, kopeks)	Rate (Percent)	City	Maximum price per product unit (rubles, kopeks)	Rate (Percent)
Rubtsovsk	19.17	-0.31	Yuzhno-Sakhalinsk	62.00	-22.50
Nalchik	19.50	-0.51	Novyy Urengoy	56.00	0.00
Biysk	20.00	0.00	Yakutsk	55.00	0.00
Tuapse	20.00	0.00	Severodvinsk	50.00	25.00
Tayshet	20.00	0.00	Vladivostok	48.33	-1.63

Apples: Average price for Russian Federation—R108.09

Novocheboksarsk	25.00		Magadan	377.89	-18.61
Ryazan	30.47	-23.83	Yuzhno-Sakhalinsk	325.71	26.08
Tula	33.21	6.72	Petropavlovsk-Kamchatskiy	285.42	-4.86
Orel	36.22	13.29	Nakhodka	225.33	-2.67
Yelets	37.06	57.23	Vladivostok	221.35	0.46
Chistopol	40.00	0.00	Novokuznetsk	200.00	43.03
Kamyshin	40.00	20.01	Abakan	195.00	8.33
Novomoskovsk	41.11	23.94	Komsomolsk-na-Amure	181.22	5.62
Penza	43.58	7.84	Chita	170.91	26.60
Kazan	44.62	10.53	Blagoveshchensk	168.52	31.93

Tobacco items—price per pack, filter cigarettes: Average price for Russian Federation—R97.98

Novomoskovsk	44.00	6.02	Surgut	250.00	0.00
Volgodonsk	45.00	5.39	Shakhty	220.00	0.00
Yoshkar-Ola	45.00	-0.11	Murmansk	200.00	0.00
Divnogorsk	50.00	0.00	Prokopyevsk	200.00	0.00
Yelets	51.80	-2.81	Novokuznetsk	200.00	0.00
Orel	52.00	0.00	Petropavlovsk-Kamchatskiy	190.00	0.00
Voronezh	55.00	0.00	Khabarovsk	185.00	16.67
Rostov-na-Donu	55.00	0.00	Armavir	180.00	0.00
Taganrog	55.00	0.00	Magadan	177.64	-6.65
Tambov	55.00	0.00	Yuzhno-Sakhalinsk	170.00	0.00

Nonfood Consumer Goods

Two-piece suit, wool blend: Average price for Russian Federation—R5,373.36

Kemerovo	2,300.00	0.00	Surgut	35,000.00	
Elista	2,525.00	0.00	Moscow	13,005.22	7.90
Saransk	2,675.00	13.59	Orehovo-Zuyevo	12,540.00	-16.40
Blagoveshchensk	2,696.00	-6.39	Orel	12,000.00	0.00
Yurga	2,730.00	0.00	Norilsk	11,000.00	0.00
Naberezhnyye Chelny	2,875.00	0.00	Orenburg	10,000.00	37.93
Ryazan	2,880.00	0.00	Novyy Urengoy	9,600.00	0.00
Biysk	2,970.00	0.00	St. Petersburg	8,644.00	6.81
Penza	3,022.50	7.95	Astrakhan	8,072.50	73.29
Kamyshin	3,140.00	0.00	Yaroslavl	7,900.00	187.69

Cities With Maximum and Minimum Prices (As of 12/08/92), Taking City Market Prices Into Account, Rate of Increase (+) or Decrease (-) as a Percentage of Value as of 12/01/92 (Continued)

City	Minimum price per product unit (rubles, kopeks)	Rate (Percent)	City	Maximum price per product unit (rubles, kopeks)	Rate (Percent)
Women's dress, wool blend: Average price for Russian Federation—R1,322.62					
Chistopol	580.00	0.00	Yoshkar-Ola	3,755.00	150.33
Kamyshin	600.00	0.00	Arzamas	3,000.00	0.00
Sykt'yvkar	632.00	-31.37	Petropavlovsk-Kam-chatskiy	2,888.25	10.05
Cherkessk	670.00	0.00	Moscow	2,516.82	4.55
Naberezhnyye Chelny	685.00	0.00	Vologda	2,500.00	
Tver	693.00	0.00	Astrakhan	2,345.00	13.27
Kurgan	755.00	2.44	Orel	2,275.00	
Yaroslavl	800.00	33.33	Perm	2,255.00	0.00
Komsomolsk-na-Amure	807.00	0.00	Salekhard	2,035.00	0.00
Cherepovets	825.00	-1.49	Volgograd	1,875.00	22.95
Men's socks, cotton: Average price for Russian Federation—R63.93					
Kazan	34.00	0.00	Kemerovo	200.00	0.00
Naberezhnyye Chelny	34.00	0.00	Norilsk	180.00	0.00
Sykt'yvkar	36.80	7.70	Biysk	150.00	
Groznyy	37.00	-49.50	Rostov-na-Donu	123.00	0.00
Orel	37.50	-18.92	Angarsk	120.00	0.00
Sovetsk	37.50	0.00	Tayshet	115.50	0.00
Yuzhno-Sakhalinsk	38.00	-24.00	Neftekamsk	105.00	0.00
Perm	38.00	5.56	Samara	100.00	0.00
Novyy Oskol	38.40	0.00	Orenburg	100.00	0.00
Kaliningrad	39.00		Armavir	97.00	2.11
Children's socks, cotton: Average price for Russian Federation—R28.16					
Apatity	13.50	0.00	Rostov-na-Donu	123.00	0.00
Vologda	14.67	33.36	Angarsk	71.25	1.79
Orel	15.00	0.00	St. Petersburg	57.00	0.00
Rybinsk	15.00	-16.67	Tomsk	55.00	0.00
Naberezhnyye Chelny	15.00	0.00	Makhachkala	51.52	3.21
Balakovo	15.00	-6.25	Tayshet	50.50	0.00
Taganrog	15.00	0.00	Orekhovo-Zuyevo	50.00	0.00
Vladivostok	16.00	0.00	Kyzyl	50.00	0.00
Serov	16.00	0.00	Armavir	50.00	6.38
Elektrostal	16.00	0.00	Yelets	48.00	0.00

Edict Promotes Foreign Trade for Kaliningrad Oblast

935D0216A Moscow ROSSIYSKAYA GAZETA
in Russian 4 Jan 93 p 6

[Text] Edict of the Russian Federation President on Providing Foreign Economic Conditions for Developing Kaliningrad Oblast

[Edict of the Russian Federation president "On providing foreign economic conditions for developing Kaliningrad Oblast"]

Considering the special geographic and economic position of the Russian Federation's Kaliningrad Oblast, I decree:

1. Goods produced in Kaliningrad Oblast and exported from it and goods imported into this oblast for internal consumption be freed from the payment of customs duties.

2. It be established that Decree No 854 of the Russian Federation Government "On Licensing and Setting Quotas for the Export and Import of Goods (Work, Services) on the Territory of the Russian Federation" dated 6 November 1992 concerning that portion of goods, whose export is carried out according to licenses in the amount of the prescribed quotas (Appendix No 2) and with respect to goods produced in Kaliningrad Oblast, be extended to the export of fish, fish products, oil, and oil refinery products only.

Quotas for the export of amber are set and licenses issued using the same procedure.

The Russian Federation's Ministry of Foreign Economic Relations working with the Russian Federation's Committee for Precious Metals and Precious Stones determine the quota for exporting the mentioned amber.

3. Extend to the delivery of goods to Kaliningrad Oblast from other Russian Federation regions the effect of:

Paragraph 3 of Decree No 629 of the Russian Federation's President "On Partially Changing the Procedure for the Compulsory Sale of Part of Foreign Exchange Earnings and the Collection of Export Duties" dated 14 June 1992 concerning the imposition of export duties;

Decree No 854 of the Russian Federation Government dated 6 November 1992 in the part concerning goods, whose export is carried out according to licenses in an amount of the prescribed quotas (Appendix No 2).

It be established that goods imported from other Russian Federation regions into Kaliningrad Oblast for internal consumption are free from the payment of export duties.

The Russian Federation's Ministry of Economy determine within a month's time the amounts of goods, for which quotas are being set and which are being delivered for internal consumption in this oblast without paying export duties, for coordination with the Kaliningrad Oblast administration. The freeing of other goods delivered for internal consumption from other Russian Federation regions to Kaliningrad Oblast from the payment of export duties is carried out with the Kaliningrad Oblast administration's guarantee to prevent the illegal export of these goods beyond the Russian Federation's limits.

The Russian Federation's State Customs Committee determine within a month's time a mechanism for guaranteeing the prevention of illegal export of products beyond Russian Federation limits and a procedure for freeing goods, which are delivered to Kaliningrad Oblast from other Russian Federation regions, from export duties for coordination with the Russian Federation's Ministry of Foreign Economic Relations and the Kaliningrad Oblast administration.

4. Goods imported into Kaliningrad Oblast from other states and subsequently delivered from its territory to other Russian Federation regions be subject to the payment of import duties.

The Russian Federation's State Customs Committee establish within a month's time a procedure for paying import duties on the mentioned goods and the rules for determining the origin of goods exported from Kaliningrad Oblast for coordination with the Russian Federation's Ministry for Foreign Economic Relations and the Kaliningrad Oblast administration.

5. It be established that the effect of Edict No 628 of the Russian Federation's President "On the Procedure for Exporting Strategically Important Raw Materials" dated 14 June 1992 not be extended to goods produced in Kaliningrad Oblast (except for oil and oil refinery products).

6. This edict enters into effect on 1 January 1993.

[Signed] *B. Yeltsin, president of the Russian Federation*
Moscow, the Kremlin
23 December 1992
No 1623

Decree on Further Revision of Draft Constitution

935D0216B Moscow ROSSIYSKIYE VESTI in Russian
24 Dec 92 p 5

[Decree of the chairman of the Russian Federation's Supreme Soviet "On Further Work on the Draft of the New Russian Federation Constitution"]

[Text] Having heard the Constitutional Commission's report concerning the work on the draft of the new Russian Federation constitution, the Russian Federation's Congress of People's Deputies decrees:

1. The Constitutional Commission's report concerning the work on the draft of the new Russian Federation constitution be taken into consideration. The Decree of the Russian Federation's Congress of People's Deputies "On the Draft of the Russian Federation Constitution and the Procedure for Further Working on It" dated 18 April 1992 be recognized as being basically completed.

2. The Constitutional Commission continue its revision of the draft of the Russian Federation constitution considering the suggestions and comments expressed during the Russian Federation's Seventh Congress of People's Deputies.

The Russian Federation's Supreme Soviet complete a paragraph-by-paragraph review of the revised draft of the Russian Federation constitution during February-March 1993.

The Constitutional Commission and the Russian Federation's Supreme Soviet submit a draft of the Russian Federation constitution in 1993 for review by the Russian Federation's Congress of People's Deputies devoted

to the question of the new Russian Federation constitution, having published the revised draft at least a month before the Russian Federation's Congress of People's Deputies begins its work.

3. The carrying out of constitutional reforms within the republics making up the Russian Federation in strict accordance with the Russian Federation-Russian Constitution (Basic Law) and the coordination of the reforms' implementation with the main propositions in the concept of constitutional reforms within the Russian Federation and with its stages be considered necessary.

4. Achieving the agreement of the social and political forces in the Russian Federation and the participation of representatives from the republics making up the Russian Federation, autonomous oblast, autonomous okrugs, krays, oblasts, and the cities of Moscow and St. Petersburg in the revising of the draft of the Russian Federation constitution, considering the content of the federal agreement in it, be considered a very important condition for completing the preparation of the draft of the new Russian Federation constitution.

[Signed] *R. I. Khasbulatov, chairman of the Russian Federation's Supreme Soviet*
Moscow, the Kremlin
9 December 1992
No 4062-1

Decree on Economic Development of Novgorod Oblast

935D0216C *Moscow ROSSIYSKAYA GAZETA*
in Russian 5 Jan 93 p 5

[Decree No 998 of the Russian Federation Government "On the Social and Economic Development of Novgorod Oblast," 22 December 1992]

[Text] In order to stabilize the economic and social situation in Novgorod Oblast with the shift to market relations, the Russian Federation government decrees:

1. The Russian Federation's Ministry of Finance provide for allotting:

To the Russian Federation's Ministry of Health 1 billion rubles during 1992-1993 specifically designated for the centralized payment of unique medical equipment for Novgorod Oblast treatment and prevention institutions;

Jointly with the Russian Federation's Ministry of Agriculture and Food, 2 billion rubles from the assets of the Russian Federation's republic budget to implement the Novgorodlen Special-Purpose Program when developing the Russian Federation's budgetary system for 1993-1995.

2. The Russian Federation's Ministry of Fuel and Power:

Insure the carrying out during 1992-1994 of a feasibility study for constructing in Novgorod Oblast an electric

power station having a capacity of 1,200-1,500 megawatts using steam and gas assemblies;

Carry out the reconstruction of the Chudovo substation for a voltage of 330 kilowatts and the TETs-20 [Heat and Electric Power Station-20] in the city of Novgorod using centralized capital investments financed from the Russian Federation's republic budget.

3. The Russian Federation's Ministry of Economy, Russian Federation's Ministry of Finance and Russian Federation's Ministry of Health make provisions during 1993-1995 to allot the Novgorod Oblast administration allocations of capital investments and assets from the Russian Federation's republic budget to design and construct an oblast oncological clinic.

4. The Russian Federation's Ministry of Economy and Russian Federation's Ministry of Finance make provisions to allot during 1993-1994 the Novgorod Oblast administration allocations of capital investments and assets, which would permit insuring the commissioning of the Novgorod-Borovich radio-relay line, from the Russian Federation's republic budget, considering the indexing of prices and tariffs at the time the project is financed.

5. The Russian Federation's Ministry of Finance and the Russian Federation's Ministry of Economy make provisions to allocate during 1992-1993 the Novgorod Oblast Committee for Managing State Property 250 million rubles for the purpose of implementing the program to expand entrepreneurship.

6. The Gazprom State Gas Concern take the necessary steps to put 58 kilometers of high pressure gas pipelines and taps into operation on the territory of Novgorod Oblast during 1993.

7. Export duties on raw material commodities, which are mined in Novgorod Oblast's Sadko Free Economic Zone and delivered by oblast enterprises for export on the account of regional quotas and enterprise quotas, be established in an amount of 50 percent of the level provided by the existing export tariff upon submission by the oblast administration.

The present paragraph becomes effective in accordance with the procedure defined by Article 42 of the RSFSR Law "On Foreign Investments in the RSFSR."

The Russian Federation's Ministry of Foreign Economic Relations together with the Novgorod Oblast administration submit the appropriate justifications for presentation to the Russian Federation's Supreme Soviet.

8. The Russian Federation's Ministry of Science, Higher Schools and Technical Policy; Russian Federation's Ministry of Education and other interested ministries and departments together with the Novgorod Oblast administration develop before 1 July 1993 and submit to the Russian Federation government for approval a draft of a decision on establishing a Novgorod State University.

9. The Russian Federation's Committee on Architectural and Construction Matters annually provide for allocating assets to perform a complex of designing, planning, scientific, and research work connected with preserving and reconstructing the valuable historic and cultural inheritance of Novgorod city and Novgorod Oblast.

10. The Russian Federation's Ministry of Economy together with the Russian Federation's Ministry of Finance and the Novgorod Oblast administration provide the necessary assets to finance the work to restore memorials and the comprehensive reconstruction of historical zones in the oblast's cities and other population points from assets in the Russian Federation's republic budget when drawing up the state investment program for 1993 and subsequent years.

[Signed] V. Chernomyrdin

Chechen Finance Minister on '93 Budget

934C0698A Moscow NEZAVISIMAYA GAZETA
in Russian 5 Jan 93 p 3

[Article by Natalya Pachegina: "The 1993 Chechen Budget Will Be Entirely Independent of Russia"]

[Text] Chechen Republic—The figure for the Chechen state budget for the current year, 1993, announced by Taymaz Abubakarov, the republic's minister of finance and the economy, on 28 December in a session of the Chechen Republic [ChR] Cabinet of Ministers, is 46.8 billion rubles [R] and \$4 million. From now on, the minister emphasized in his speech, the republic's budget will be entirely independent of the Russian budget. The 51-percent "Russian" part of the republic's present budget, for which it is criticized both in Moscow and by the local opposition, is no more than a myth. "We have not received and are not receiving any appropriations whatsoever from Russia," declared Chechen's main financier.

The blockade of Chechen's banking system in the past year, Minister Abubakarov noted, aside from damaging the republic in the amount of R10 billion, demonstrated the role of Russian finances in the Chechen economy. Because of the difficult situation in the economy and the blockade, any measures associated with carrying out resolute economic reforms in the Chechen economy, including privatization, are premature. The present state of the ChR economy, he declared, requires state controls in regulating prices of a number of goods, including bread, meat, dairy products, medicine, and fuel and lubricants. Specifically, state bread subsidies this year amount to more than R8 billion. The lowest bread prices are being retained in Chechen: A baguette of wheat bread, just as before, will cost R1. Gasoline prices in Chechen—at R23-25 per liter—continues to be the lowest of any of the republics of the former Union.

The foreign exchange portion of state resources, stated in the budget message to the parliament, is planned for

expansion of the industry traditional for the republic—production and refining of petroleum products.

President Dudayev, who attended the joint session of the Chechen parliament and Cabinet of Ministers, which discussed the government's performance, conferred his "presidential" gift to the republic's leadership: In many of the most important sectors of the economy, the chief of state reported, the decline of production has finally been halted thanks to an immense expenditure of effort.

Local Businessman Scores Yavlinskiy-Nemtsov Reforms

934C0698B Moscow SOVETSKAYA ROSSIYA
in Russian 9 Jan 93 p 2

[Interview with K.F. Anuchin, president of the Nizhniy Novgorod Board of Trade, Russian businessman, by P. Orlov in Nizhniy Novgorod; date not given: "Business With Honor"]

[Text] The end of the old year and the arrival of the new one has been marked by a scandal in Nizhniy Novgorod: A court suit began between the oblast administration and K. Anuchin, president of the Nizhniy Novgorod Board of Trade. The amount of money being demanded from the businessman is no joke: 7 million rubles [R]. That is the amount of damage which the administration reckons has been done to its honor.

[Orlov] What is it that so humiliated the local executive authority, K.F. Anuchin?

[Anuchin] It is hard to say whether the entire administration has been offended, because the complaint was signed by B. Nemtsov, who heads it, and I have not seen the minutes of the meeting of the full administration. But Boris Yefimovich was offended by criticism of the motives and reasons for the actions of the administration he heads and the results of those actions, which I repeatedly expressed on the television program "Business and Government."

So, contrary to the opinion that has been imposed on people, I declared that the entire document drafted by Yavlinskiy's "Epicenter" and entitled "Nizhniy Novgorod Prologue" comes down to two ideas whose realization is possible only if Russia is dismembered. It plainly states that Russia is not a state, but that the idea of joint existence has been lost in the multinational character of its population, and only the most primitive motives at the level of survival have remained. It proposes an antinational model as a system of government for Russia, implying a revision of borders, redistribution of natural resources, and the formation of new states to be called Russian lands.

It is only not clear from this document, which the newspapers glorify by calling it a program, where the nationalities are going to go: the Russians, the Ukrainians, the Belarusians, the Tatars, and so on.

Behind this entire "program," I see an aspiration to political rearrangement of the world.

Incidental to these global explorations, Yavlinskiy has offered practical recommendations whose realization would damage the oblast in the amount of at least R600-700 million.

[Orlov] To what are you referring?

[Anuchin] For example, the month of free trade during which all retail merchants would be exempted from tax. As the authors conceived it, this benefit was supposed to increase the volume of goods on the market and lower their prices. Nothing of the kind occurred. Estimates of the loss of revenue to the budgets of the oblast and city ranged from R20 to R80 million. By analogy with the widely advertised "500-Day" program, the people of Nizhniy Novgorod referred to this as another Yavlinskiy "30-Day" program. Now there is no need to explain to them the consequences of this. Yavlinskiy's first program, should it be carried out.

And then the issue of local Nizhniy Novgorod currency, which cost the treasury R50 million. Now the "Nemtsovs" are being used as gasoline coupons. Yavlinskiy and Nemtsov qualify for the *Guinness Book of Records*: They created the world's most expensive gasoline coupons, and no one will take that glory away from them.

Finally, contrary to law and decisions of the government and oblast soviet, Boris Yefimovich transferred R600 million to the authorized capital of the commercial bank Nizhniy Novgorod Banking House. The government allocated this money to form a fund to promote conversion as aid to defense enterprises in the difficult period of Gaydarization of the economy.

[Orlov] What do you think, was all this done deliberately or is this the upshot of a succession of good intentions of the company "Yavlinskiy and Nemtsov"?

[Anuchin] How could the upshot of this be unforeseen, when, for example, Yavlinskiy obtained from Gaydar in record time, and moreover for a bank that was not in operation, a full general license for all types of business? Even sound banks that are in operation spend years getting that kind of license!

And take the attempt, which many deputies see as unconstitutional, to create a coordinated council of the administrative heads of the oblast and oblast seat, the chairmen of their soviets, and...Yavlinskiy. Who exactly is he? Nothing more nor less than the man who heads a commercial structure with the name of "Epicenter."

[Orlov] Why does it happen to be you, a businessman, and not the oblast soviet, for example, blowing the whistle about this?

[Anuchin] The soviet makes decisions without having sufficient objective information, because that information is prepared...by the administration. What is more, Nemtsov is not only the head of the administration, but

also a deputy of the RF [Russian Federation] and the president's representative in the oblast. He is in a position to influence the preparation and making of decisions at all levels of government. The oblast procurator lodged a protest against creation of the Nizhniy Novgorod Banking House, but Nemtsov rejected it. I do not think that that has ended it in the trial.

[Orlov] You believe that the honor and business reputation of the administration have suffered not from your statements, but from its own actions?

[Anuchin] If the administration is asserting in its complaint that its honor has been lost, I cannot dispute that conclusion. I personally took no part in it.

[Orlov] Then what led to the suit, and why all the uproar?

[Anuchin] What is the purpose of any loud noise? To draw attention. All the activity of the Nizhniy Novgorod administration and Nemtsov personally is a kind of advertising. They sold some offices—and the cry went up to the entire universe: "Do like Nemtsov." They sold a few trucks—and what do we get: "Something new in economics."

The number of television programs about Boris Yefimovich Nemtsov probably exceeds the number of episodes of "Rabbi Izaur" and "The Rich Also Cry" taken together. The performance starring Nemtsov began in the street as a stage, and now the stage is the television screen.

As some political observers are saying, the Yavlinskiy-Nemtsov tandem was designed and put into advertising orbit with a view to the presidential election which is some five years off. They say that the people will forget their failures large and small, but the loud repetition of the names will remain in the memory. And the voters will associate with them everything good that occurred in the past, even in spite of these very individuals.

[Orlov] Having begun with a 7-million claim against you, the administration has now reduced the amount of compensation for the moral injury allegedly done to it to R70,000. How is it that the administration's honor has been marked down so suddenly?

[Anuchin] The leader's incompetence is manifested above all in his choice of incompetent personnel, whose performance is what you would expect. Even the complaint was drawn up incompetently. I have already spoken about this peculiarity of the present administration headed by Nemtsov. And they took me to court. But this is a judgment against a citizen, a patriot, a taxpayer, who, finally, has his own opinion about the state of affairs in the economy and other areas of our life and is not afraid to express it. A more democratic and less ambitious government takes a different attitude toward those who think differently.

In the last court session, the administration's representative announced the intention to file a complaint against two local newspapers as well. In his opinion, they also offended the dignity of the executive authority by publishing the interview with Anuchin.

Who is right and who is wrong (if there is any guilt) will be decided by the court. At present, this is all that can be said. When the newspapers praise this government and even clearly overpraise it, you can be sure it is not offended. But say just a word against it, and it begins to threaten and strives to do material damage. Freedom of speech, as understood by the present rulers, is evidently nothing but the freedom to praise the government, even if commonplace stupidities are being passed off as historic decisions.

Clash Erupts Over Petersburg Defense Plants

PM1901164593 Moscow IZVESTIYA in Russian
16 Jan 93 p 4

[Natalya Nikiforova article: "Dispute About Military Plant"]

[Text] St. Petersburg—On the very eve of New Year or, more precisely, 30 December, the St. Petersburg City Hall Committee for the Management of State Property received a message containing a resolution from the new Russian premier.

To be more specific: It was a copy of a letter from Viktor Glukhikh, chairman of the government committee for defense sectors, in which he informed Viktor Chernomyrdin that according to his information a number of military-industrial complex enterprises in St. Petersburg are being privatized without the government's permission. They include the Baltiyskiy plant, which is essentially the only one where large-tonnage surface warships are built. The flotation of that shipyard will drastically undermine the fatherland's defense capability. The premier addressed a resolution to Anatoliy Chubays, chairman of the State Committee for the Management of State Property: Investigate it, put a stop to it, and punish the culprits.

So this package of documents, as they say nowadays, was sent to St. Petersburg with the request that one of the prime suspects be sent to the capital immediately. (Of course no one went. Where was there to go to—it was New Year...)

It is true, is it not, that this hitherto unpublicized step by Viktor Chernomyrdin adds a unique nuance to the general picture of the first actions of the cabinet he heads.

There is hardly anyone who would believe that someone decided to privatize enterprises in the military-industrial complex in circumvention of the law and without government permission. Especially since everyone has heard of the Russian President's well known edict No. 721

dated 1 July 1992, which finally opened the way to the flotation of the defense sector. According to that edict, if the State Committee for the Management of State Property does not object within two weeks to the list of enterprises proposed for flotation, you can boldly get down to business.

It goes without saying that the St. Petersburg Committee for the Management of State Property compiled a list and sent it to Moscow. It also goes without saying that our privatizers set to work in September after the prescribed deadline had lapsed.

In May I myself witnessed the Kirov plant workers' intention to "set Yeltsin and Gaydar straight" after the latter had promised to float the plant but had not kept their word. By spring last year it was clear to all, apparently, that this production unit, which was falling apart before people's eyes, saddled as it was with debts and unsold Kirovets tractors, could be saved only by deep structural transformations and a drastic change in the system of management.

It was precisely the same at the Baltiyskiy shipyard, which was in a most difficult position in connection with conversion: Two major orders had been removed from production and the main suppliers of materials and equipment were in Ukraine. No state took responsibility for the Baltiyskiy state yard. The yard itself was finding and continues to find ways to maintain a sufficiently skilled work force and ways to provide it with a normal standard of living. The yard took out credits and continued building—and is still building—an nuclear-powered cruiser which the defense department ordered but has not yet paid for...

Completely in accordance with the law the yard's workers adopted a decision 28 September on the flotation of the plant and on 18 December the St. Petersburg City Hall Registrations Office registered the new open-type joint-stock company. Apart from everything else, this enables the plant to escape the constant supervision of the defense sector. There is an escape route too. The Baltiyskiy yard really can produce competitive civilian output, clients know this, and so are waiting in line. Contracts have already been concluded with the German firm Arenkil [name as transliterated] for the construction of a series of 12 chemical tankers and with an Austrian firm for a series of Ro-Ro ships. Domestic orders are "on the horizon."

Who will lose out because of this? The Baltiyskiy yard workers? The rest of us? Or those people who are assuming the right to lay down the law and cream off someone else's rich pickings? It is the Baltiyskiy yard's workers who are the target now—they received angry letters from the capital even before the functionaries at the Committee for the Management of State Property. It would seem that now they have the right to say: Pardon us, but we are already a registered joint-stock company. Nevertheless, Moscow demanded and is now carefully studying the Baltiyskiy yard's flotation documents.

All this is particularly amusing if you bear in mind that the plant began the work of conversion into a joint-stock company back in June. This fact was well known to the department of the shipbuilding industry, the industry and economics ministries, and consequently the committee for the defense sectors.

In that case what caused the New Year's eve reaction? The change of the head of the cabinet? Lobbying by someone from the industrialists' group in the government or the results of the still virtually unpublicized actions of the St. Petersburg privatizers, which had become obvious by the end of the year.

As the statistics show, St. Petersburg has long been ahead of the rest in terms of the pace of the destatization of large and small enterprises. In addition our team of privatizers has managed to do what no one else in Russia has done—the flotation of enterprises in the military-industrial complex is proceeding at full speed here. There are several hundred such enterprises in the city and the majority of them are now ready to be transformed into joint-stock companies. The documents of over 70 enterprises have been sent to the registration office and about 30 joint-stock companies have already been registered.

It is not just a question of the Baltiyskiy plant here, especially since under the privatization plan it retains its area of specialist activity. But if you add to that such plants as "Arsenal," "Pozitron," "Severnaya Verf," the Kirov plant, the Turbine Vane Plant... This is a powerful group in itself. For some people it would be a mechanism whereby Russian industry could be "hailed" out of the ossified defense system: After all, enterprises in the military-industrial complex have subcontractors all over the country and this will start a chain reaction of natural transformations. But for some people this is a noose which deprives the authorities of their own importance.

What motivates the people who are hindering the privatization of the military-industrial complex? Are they unaware of the statistics which St. Petersburg scientists have collected and analyzed? They studied the workload of our city's defense enterprises in terms of military orders. For example, according to the results for 1991 (the prereform year), they had on average 25-30 percent military orders. Only two production units were working more actively for the defense sector: the "Skorokhod" footwear production unit and a greatcoat factory. Of course, last year the situation did not improve. As for the future, here is a quote from the Baltiyskiy workers' letter to President Yeltsin, Prime Minister Chernomyrdin, Vice Premier Chubays, and Russian Defense Sectors Committee Chairman Glukhikh:

"...in the structure of the Baltiyskiy yard's production schedule the proportion of defense output in 1993 is 6 percent, in 1994 5 percent, and the last nuclear-powered navy cruiser is in the stocks right now (handover will be in 1994). Military shipbuilding is missing from the long-term plans because of the absence of orders..."

So what about drastically undermining the country's defense capability?..

Incidentally, a few words about defense capability. By all accounts, the St. Petersburg City Hall Committee for the Management of State Property will have to go on the defensive. It may well be that it is in this very sector of the front line of privatization that the battle for the reforms is now being launched and on whose outcome a very great deal will depend. Not just for industry in St. Petersburg. As informed observers note, Viktor Chernomyrdin may change his position if people explain to him the true state of affairs with regard to the privatization of the defense sector in St. Petersburg. But at the very least they will have to achieve a breakthrough and meet with him. The directors of the military giants that are being floated and support the team of St. Petersburg privatizers headed by Committee for the Management of State Property chairman Sergey Belyayev are already trying to achieve a "breakthrough" by writing letters. Belyayev is described by his colleagues as a man who can "take the knocks." They note in this respect that it is hard to predict right now how hard those knocks will be. Much will depend on the stance of the State Committee for the Management of State Property and of Anatoliy Sobchak, who has promised Belyayev's team support.

Land Reform Efforts Continue

Terms for Reregistration Extended

934A0569A Moscow *LESNAYA GAZETA* in Russian
21 Nov 92 p 1

[Untitled ITAR-TASS Report]

[Text] The time limits for the reregistration of the land plots of citizens will be extended until 1 January 1995. However, this will not apply to enterprises, institutions and organizations, for which the previously established time periods will remain as before—until 1 January 1993. The Supreme Soviet of Russia adopted such a decision today [sic] by amending the law "On Land Reform." According to the document registration in Russia will be carried out through the legal assignment of land to ownership, to lifetime possession or to use, including leasing. Landowners can choose any of these three forms of land relationships proposed by the legislators as they wish.

Yeltsin Signs Land Law Amendment

934A0569B Moscow *SELSKAYA ZHIZN* in Russian
11 Dec 92 p 1

[Law of the Russian Federation "On Amending Article 7 of the RSFSR Law 'On Land Reform'"]

[Text]

Article 1. Article 7 of the RSFSR Law "On Land Reform" is to be amended by having worded it in the following formulation:

"Until the legal registration of plots of land to ownership, lifetime inheritable possession, including to leasing, the previously established right to the use of land plots is to be retained in accordance with prevailing legislation for citizens to whom land plots were granted for individual housing construction, individual dwellings, private subsidiary plots, orchard cultivation, vegetable gardening, animal husbandry, dachas and garages, and for entrepreneurial activity and other purposes not prohibited by law."

Article 2. The present Law is to go into effect from the moment of its publication.

[Signed] *President of the Russian Federation B. Yeltsin*
Moscow, 20 November 1992

Khasbulatov Signs Land Ownership Resolution

934A0569C *Moscow SELSKAYA ZHIZN in Russian*
31 Dec 92 p 1

[Decree of the Russian Federation Supreme Soviet "On the Procedure for Implementing the Russian Federation Law 'On the Right of Citizens to Receive into Private Ownership and to Sell Plots of Land for Private Subsidiary Plots and Dachas, Orchard Cultivation and Individual Housing Construction'"]

[Text] The Supreme Soviet of the Russian Federation decrees that:

1. The Law of the Russian Federation "On the Right of Citizens to Receive into Private Ownership and to Sell Plots of Land for Private Subsidiary Plots and Dachas, Orchard Cultivation and Individual Housing Construction" is to go into effect from the moment of its publication.

2. It is established that pending the implementation of legislation of the Russian Federation in accordance with the Russian Federation Law "On the Right of Citizens to Receive into Private Ownership and to Sell Plots of Land for Private Subsidiary Plots and Dachas, Orchard Cultivation and Individual Housing Construction" Russian Federation legislation is to be applied to the extent that it does not contradict the indicated Law.

3. It is proposed that the President of the Russian Federation instruct the government of the Russian Federation prior to 1 February 1993:

to develop a procedure for the purchase and sale by citizens of the Russian Federation of plots of land for the indicated purposes;

to submit proposals concerning the implementation of legislative acts in accordance with the indicated Law to the Supreme Soviet of the Russian Federation in accordance with established procedure;

to implement the decisions of the government of the Russian Federation in accordance with the indicated Law.

4. The attention of the President of the Russian Federation is drawn to the intolerably slow implementation of land reform in the Russian Federation by the government of the Russian Federation.

[Signed] *Russian Federation Supreme Soviet Chairman R.I. Khasbulatov*
Moscow, 23 December 1992

Commentary on Land Ownership Law

934A0569D *Moscow IZVESTIYA in Russian*
25 December 92 p 1

[Article by IZVESTIYA Correspondent Yelena Yakovleva: "What Will the New Land Law Grant Russians?"]

[Text] The Russian parliament has adopted the final version of the law "On the Right of Citizens of the Russian Federation to Receive into Private Ownership and to Sell Plots of Land for Private Subsidiary Plots and Dachas, Orchard Cultivation and Individual Housing Construction."

The President vetoed the first version of this law and introduced amendments to it which expand the land rights of Russian citizens. These amendments were adopted by the deputies.

The new law gives concrete expression to the constitutional right confirmed at the last congress of peoples' deputies to receive into private ownership and to sell small plots of land intended for private subsidiary plots and dachas, orchard cultivation, and individual housing construction. True, this concrete expression is rather of a restrictive character than of a permissive one.

The basic features of the new law are: citizens who have received plots of land as private property for private subsidiary plots and dachas, orchard cultivation and individual housing construction have a right to sell them regardless of the dates of acquisition. However, in so doing, the use of the land by the new owner for other than the purpose intended is not permitted: i.e., if you bought the land for a garden, you don't have the right to build a hotel or open a building cooperative.

Furthermore, citizens who have, at the time this law goes into effect, plots of land whose dimensions exceed the maximum permissible norms retain the right of lifetime inheritable possession or use of the portion of the plot of land which exceeds the established maximum permissible norms. However, if they want to acquire the above-norm portion of their plot as private property, which differentiates the right of sale from lifetime inheritable possession and use, then they will have to purchase this share from the local soviet at an agreed-to price. Naturally, you will not deny that the Supreme Soviet has concerns and aspirations about the budgets of the local soviets; however, this norm is far from being fair. It would be worth differentiating the restriction in question. At least the person who has for 20 years possessed, let's say, 13 hundredth parts instead of 12 ought not to

buy back this above-norm hundredth part from the local soviet at a free price, i.e., that which the local soviet thinks fit to set.

The Supreme Soviet has proposed that the President instruct the government to develop a procedure for the purchase and sale by the citizens of Russia of plots of land for the indicated purpose before 1 February 1993. The necessary revisions will appear, it seems, in a future governmental decree. And meanwhile dacha residents are continually phoning the editorial office with complaints about the local soviets which are stubbornly resisting the official registration of land plots as private property.

1992 Agricultural Production, 1993 Preparations Assessed

934A0572A Moscow *LESNAYA GAZETA* in Russian
28 Nov 92 p 3

[Unsigned article in response to a reader's letter: "Winter Sowing Area"]

[Text] By the beginning of winter the workers of the ploughland have at all times summed up the results of the outgoing year and laid the foundations of the future harvest. How have Russia's agricultural workers worked now? [Signed] G. PROKHOROV, Murmansk Oblast.

Here's what they have informed us in the State Committee for Statistics of Russia. After revision, some 100-102 million tonnes of grain have been gathered this year as compared with 89 million tonnes in 1989 and 117 million tonnes in 1990.

Some 7.5 million tonnes of potatoes have been procured in public farms, which is 1.4 million tonnes less than by this period of last year. Some 3.2 million tonnes of vegetables have been gathered as compared with 4.1 million a year ago. Some 2.5 million tonnes of potatoes have been received into state resources.

Beets have been dug up on 83 percent of the sown areas. Some 23 million tonnes have been gathered, or 201 quintals each per hectare on the average. Some 10.1 million tonnes of sugar beets have been sold to the State, or almost two times less than was the case by this time in 1991. The relative share of state purchases of beets in their production has amounted to 44 percent as compared with 77 percent a year ago. The sugar content of the beets accepted has amounted to 15.3 percent, slightly lower than in 1991 (15.6 percent). The yield of granulated sugar from the volume processed has been approximately at the level of last year—11 percent.

By the end of November sunflowers had been threshed for seeds from 71 percent of the sown areas (more than 90 percent of the sown areas had been harvested by this time in 1991). Some 2.4 million tonnes of oil-bearing seeds have been obtained; the average yield per hectare has come to 12.8 quintals.

A complicated situation is developing in animal husbandry. In comparison with the preceding year the number of fowl has dropped by almost a fourth, of pigs—by 15 percent, of sheep and goats—by 12 percent, and of large horned cattle and cows—by 6-7 percent.

There has been a shortfall of 301 kilograms of milk each (13 percent) on the average from every cow and of seven eggs each (4 percent) from laying hens. The level of the per capita production of meat and eggs corresponds to the beginning of the '80s, and of milk—of the '60s.

The revival of animal husbandry in the private farmyards of citizens, where the number of the basic types of cattle has increased by 7-12 percent during the year, is continuing. However, the reduction in the total number of pigs in agricultural enterprises is being compensated by the farms of the population by less than 20 percent, of sheep and goats—by a third, of large horned cattle—by 40 percent, and of cows—by 80 percent.

The sowing of winter crops and the fall plowing for next year's crop is now considerably less than last year. The winter sowing area has come to 19.2 million hectares in comparison with 21.9 million hectares by November 1991. Some 45.6 million hectares of land have been ploughed in the fall for spring sowing, last year—57.9 million hectares.

Here's what the drop in production of agricultural products turns into for the consumer: a new and more substantial than during the last six months growth in the prices for consumer goods has taken place during November and December; it has amounted to 5-6 percent every week of these months.

Russian Debts for Agricultural Products Noted

934A0572B Moscow *SELSKAYA ZHIZN* in Russian
22 Dec 92 p 5

[ITAR-TASS Report: "The Payment of Debts Has Been Delayed Again"]

[Text] WASHINGTON. (ITAR-TASS). The US Department of Agriculture has announced that Russia has delayed the payment of a further \$2.6 million in loans for the purchase of agricultural products guaranteed by the Bush administration. The total volume of Moscow's outstanding debts to six American and foreign banks now amounts to \$49.2 million.

Since the beginning of this month Russia has continually delayed the payment of debts on loans granted by private banks for the purchase of agricultural products in the USA. Therefore it has been temporarily excluded from the operation of the US government loan guarantee program until it liquidates its debts. This means that access to guaranteed loans in the amount of \$11 million which have been earmarked for it is closed to the Russian Federation this year. It will not be able to obtain loans in the amount of \$275 million beginning 1 January for the same reason.

Decree on Wheat Procurements

934A0572C Moscow *ROSSIYSKIYE VESTI* in Russian
10 Dec 92 p 4

[Russian Federation Government Decree No. 921, dated 30 November 1992, Moscow: "On Additional Measures Regarding Wheat Procurements for Food Purposes"]

[Text] For the purpose of maximum inclusion of wheat for food purposes in governmental resources the government of the Russian Federation decrees that:

1. It is established that wheat for food purposes being sold to the state by farms which have fulfilled contracts for the sale of grain through obligatory deliveries is to be paid for by it with a 100 percent mark-up to the purchase prices fixed by Russian Federation Government Decree No. 570, dated 11 August 1992, "On Settlements for Grain Delivered to State Resources from the 1992 Harvest."

2. In a month's time the Federal Contract Corporation "Roskhleboprodukt" is to perform recomputations with the farms for wheat for food purposes sold to the state above obligatory deliveries based on the mark-up to purchase prices established by the present Decree. The Ministry of Finance of the Russian Federation is to be allotted 4.5 billion rubles for this purpose.

[Signed] Ye. Gaydar

Wheat Procurement Decree Noted

934A0572D Moscow *SELSKAYA ZHIZN* in Russian
5 Dec 92 p 1

[ITAR-TASS Report: "Wheat Will Rise in Price. And Bread?"]

[Text] On 30 November the Government of the Russian Federation adopted a decree "On Additional Measures Regarding Wheat Procurements for Food Purposes." This decree provides for the payment of a 100-percent mark-up to those kolkhozes and sovkhozes which have fulfilled contracts for the sale of grain to the state through obligatory deliveries and are selling grain above these deliveries. The mark-up is to be added on to the purchase price for grain fixed by the 11 August 1992 governmental decree "On Settlements for Grain Delivered to State Resources from the 1992 Harvest."

Decree on Changes to Statute on Kolkhoz, Sovkhoz Reorganization

934A0572E Moscow *ROSSIYSKIYE VESTI* in Russian
24 Dec 92 p 1

[Russian Federation Government Decree No. 969, dated 11 December 1992, Moscow: "On Changes to the Statute on the Reorganization of Kolkhozes and Sovkhozes and the Privatization of State Agricultural Enterprises"]

[Text] The Government of the Russian Federation decrees that:

In the Statute on the reorganization of kolkhozes and sovkhozes and the privatization of state agricultural enterprises approved by Russian Federation Government Decree No. 708, dated 4 September 1992, "On the Procedure for Privatization and Reorganization of Enterprises and Organizations of the Agro-Industrial Complex," the second paragraph of point 17 is to be worded in the following formulation:

"The apportionment in kind of a portion of land and a share of property to persons leaving kolkhozes, sovkhozes and other agricultural enterprises to create a peasant (independent farmer) farm is obligatory with the exception of the cases stipulated by points 20, 21, 22, 23 and 25 of the present Statute. At the request of the possessors of land and property portions (shares) they can be distributed in terms of money."

Animal Husbandry, Livestock Production Problems Aired

934A0589A Moscow *SELSKAYA ZHIZN* in Russian
22 Dec 92 p 1

[Article by Mikhail Silvanovich: "Ordered To Be Vegetarians"]

[Text] During the period of "stagnation" we were often troubled by the comparison of medical norms of consumption of meat, milk, and other food with the actual achievements of that plan. In many respects this was reminiscent of Krylov's fable about the fox and the grapes and in many respects this also boosted our confidence in tomorrow.

In Russia intelligible fables have now been replaced with an incomprehensible superprofessional vocabulary. In it even the simple word "reforms" needs a translation into the Russian language, because it does not correspond to its true meaning. After all, if there are reforms, there should be either an improvement in life, or at least a light at the end of the tunnel. There is neither! Land is near, but the parachute does not open.

The fact that this is so is evident from the following: In 1992 the expected purchase of livestock products will total 6.4 million tonnes for livestock and poultry—that is, 71 percent of last year's level—though it is well known that this year we have also eaten poorly. A total of 26 million tonnes of milk and 23 billion eggs (both make up 76 percent) will be purchased.

It should be remembered that collective animal husbandry—basically, farms of kolkhozes and sovkhozes objectionable to present politicians, complexes, and mechanized poultry farms—gives 75-76 percent of all the meat and milk purchased in the republic and about 80 percent of the eggs. Without exaggeration, today this is the most "fatigued" sector of agriculture. Even metal becomes fatigued and, if it is bent to the point of

fracture, it will break. By 1989-1990 a slowdown in the rates of growth of livestock products was determined and in 1991 it gave way to a noticeable decline, which led to a sharp deterioration in the population's food supply—these were signs of fatigue. In 1992, when on 1 November, as compared with the past year, cattle decreased by 3.2 million head (7 percent), hogs, by 3.8 million (15 percent), sheep and goats, by 4.7 million (12 percent), and poultry, by 95 million (20 percent) and a great deal of pedigree livestock was slaughtered—this represented a fracture.

The fact that the breeding stock is decreasing causes special alarm. This in itself undermines the basis for the sector's long-term development. For example, a cow that dropped out of the herd can be restored only in 3 to 5 years. Let us calculate. In 1 year more than 1 million cows dropped out. Even with the meager annual milk yield of 2,500 liters per cow, production will decrease by 2,500 tonnes of milk annually—this is the production volume in Moscow and Tver oblasts taken together.

For the same reason the collapse in meat production is also striking, if we take into account that 3 to 4 quintals of livestock per cow are sold for slaughter annually. We will multiply these losses by 1 million cows—this is a problem for politicians who avoid solving problems!

You will ask: Why for politicians? Because neither a natural calamity nor mass epidemics occurred and the peasant kept watch as before. However, the sector is collapsing before our eyes. It may seem to some that peasants' homesteads and private farming will save the country. Well, with regard to private farming we will say right away—not a single one out of Russia's 150,000 private farmers has begun to specialize in animal husbandry—it is ruinous. Let us touch upon homesteads. This is the most steadfast link of the food complex, but its strength and weakness lie in the fact that it is tied to collective animal husbandry with an umbilical cord.

We will present such data on the basis of an analysis of statistical reporting, beginning from the 1970's. On private subsidiary plots of the Russian people the proportion of beef production is gradually decreasing and the share of pork and poultry meat is increasing. The ratio of both was 30 and 57 percent respectively and became 23 and 69. What does this mean? The peasant gave preference to the early maturing of hogs and poultry. True, both are spongers, that is, they require grain for feeding. While grain was cheap and kolkhozes, sovkhoses, complexes, and mechanized poultry farms, having a sufficient breeding stock of hogs and poultry, increased the sale of hoglings and chicks to the population, private subsidiary plots flourished.

Now there is a fracture also here. In many places a hogling, a chick, or a gosling is nowhere to be found and their prices are exorbitant. However, even if one obtains them, it is a problem to feed them. It is necessary to pour as a minimum 5 to 7 quintals of grain into every quintal of weight gain, paying 3,000 to 4,000 rubles per quintal.

You will want neither pork nor chicken meat. In brief, private subsidiary plots have collapsed. The following are accurate data: Throughout Russia as of 1 October the sale of hoglings to the population decreased by 1.5 million head and of young poultry, by 20 million.

At a meeting with Ye. Gaydar, former head of the government, on 23 October V. R. Sidorenko, manager of the Pskov Cherskaya Agrofirma, with pain for the entire sector, presented calculations. Today, he said, 3,500 tonnes of grain for fodder are stocked up on the farm. There is a big stock of hogs. We face the following alternative: Either to obtain 600 tonnes of pork, or to sell grain, leaving hogs without feed. What to choose? In the first case the farm will incur 15 to 20 million rubles of losses and in the second, derive 75 million rubles of income.

The conclusion does not require prompting. However, where is the way out? Rural economists have long suggested to economists from Moscow's Staraya Ploshchad: If you have undertaken to regulate prices of agricultural products, bring them into a scientifically substantiated ratio with each other. If this year 10 rubles per kg of grain were paid, milk must be purchased at 17 rubles per liter and meat, 106. This does not take into account the rise in the price of energy carriers and farm equipment, not to mention that livestock breeders have long been working, one can say, on their word of honor, receiving 2,000 to 3,000 rubles of wages per month.

The former government cabinet gave subsidies of 3.4 rubles per liter of milk and 18.3 rubles per kg of meat. With production costs of both amounting to 40 and 200 rubles (these figures are different everywhere: In one place they are lower by an order of magnitude and in another, higher than those cited, but almost everywhere livestock breeders work at a loss) and, for example, with a purchase price of 30 to 40 rubles per kg of beef, such a subsidy is enough to make a cat laugh. However, even that was not paid. According to the data on 1 November, budget subsidies for livestock products were realized only 41 percent.

As of the new year the mechanisms and amounts of subsidies are changing—14,000 rubles per head of cattle are to be allocated. Buyers of breeding stock will be subsidized in the amount of 34 rubles per kg of live weight. Figuratively speaking, this time the cat does not laugh yet—it does not understand. However, let us again turn to the testimony of knowledgeable people. M. I. Lapshin, director of the Zavety Lenina farm near Moscow, in Stupinskiy Rayon, at the same meeting in the government said that, if a boiler house used 5 or 6 tonnes of mazut in 24 hours, the value of the monthly milk yield of the entire farm would be lost, because a kg of mazut cost 20 rubles and, according to the annual results, the purchase price of milk would be 5.5 rubles per liter.

In such a "light" the new amounts of subsidies will help no more than a poultice will help a dead person.

As agricultural workers, in particular those who are members of the parliamentary fraction "Agrarnyy Soyuz" [Agrarian Union], believe, in the former government cabinet the country's agriculture did not have its own qualified representation, but it should have been, as they say, at the level not below that of a vice-premier. It seems that this is not an exaggeration. Minister of Agriculture and Food V. N. Khlystun, head of the sector, who sometimes was the initiator of some decisions, to put it mildly, of a momentary advantage in the course of agrarian reforms and sometimes calmed public opinion with harmonious words in the mass information media, also distressed rural workers very often. In particular, it is a question of an interview given to two newspapers (IZVESTIYA and AiF), where the reduction in the livestock and poultry population is described as an ordinary culling of stock. Does the minister not know that zooveterinary cleansings of farms are not carried out on such a scale? The truth is as follows: The mortality of animals "cleansed" the farms pretty well. For example, in January-September more than 1.8 million head dropped out.

Russia has just experienced a big event—a new person has become the head of the government. He is a practical specialist. What glance will V. S. Chernomyrdin cast on the present state of affairs in the agro-industrial complex—for now one can only guess this. The first assurance expressed by him—"I am for reforms, but not at the expense of the people's impoverishment"—is not significant if it does not include rural problems. This is indisputable, but for now these are just words. The next thing, in particular, whether Russia will become a country of complete vegetarians, depends on whether the new executive power will occupy the familiar nest or, having examined it, will throw out from it everything that the cuckoo furtively put into it in the confusion of past days.

Decree Introducing Minimum Monthly Wage

935D0228A Moscow ROSSIYSKAYA GAZETA
in Russian 14 Jan 93 p 2

[“Decree of the Government of the Russian Federation Dated 6 January 1993, No. 14, Moscow, ‘On Introducing a Minimum Wage and Establishing a Monthly Rate (Salary) for Category 1 of the Unified Rate Scale for Wages for Workers in the Budget-Funded Sphere’”]

[Text] In compliance with the 13 November 1992 decree of the Russian Federation Supreme Soviet “On Certain Matters Relating to Enactment of the Law of the Russian Federation ‘On the Minimum Wage’” the Government of the Russian Federation decrees as follows:

1. To introduce from 1 February 1993 for workers in institutions, organizations, and enterprises in the budget-funded sphere a minimum wage rate of 2,250 rubles [R] per month.

2. To establish from 1 February 1993 a monthly rate (salary) for Category 1 of the Unified Rate Scale for workers in the budget-funded sphere of R2,250.

3. The Russian Federation Ministry of Finance shall organize procedure and funding sources for expenditures associated with the increases in the wages of workers in institutions, organizations, and enterprises in the budget-funded sphere.

4. To deem the following to be no longer in force:

—Decree No. 283 of the government of the Russian Federation dated 5 May 1992 “On Procedure and Schedules for Increasing Rates and Wages During the Second Quarter of 1992 for Workers in Budget-Funded Institutions and Organizations, and the Minimum Wage Rate,” except for the second, third, and fourth paragraphs of clause 5;

—clause 3 of Russian Federation Government Decree No. 785 dated 14 October 1992 “On Differentiation in Wage Levels for Workers in the Budget-Funded Sphere, Based on the Unified Rate Scale” with respect to the size of the monthly rate (salary) for category 1 of the Unified Rate Scale for wages for workers in the budget-funded sphere;

—the second paragraph of clause 1 of Russian Federation Government Decree No. 855 dated 8 November 1992 “On Raising the Level of Wages for Workers in Institutions, Organizations, and Enterprises in the Budget-Funded Sphere.”

[Signed] V. Chernomyrdin

Decree Expanding Powers of Federal Executive Organs in Wages Sphere

935D0228B Moscow ROSSIYSKAYA GAZETA
in Russian 14 Jan 93 p 2

[“Decree of the Government of the Russian Federation Dated 3 January 1993, No. 2, Moscow, ‘On Extending the Rights of Particular Central Organs of the Executive Power in the Field of Wages for Civilian Personnel’”]

[Text] In order to improve the material position of and to increase the incentive role of wages for civilian personnel, the Government of the Russian Federation decrees as follows:

To give the Russian Federation Ministry of Defense, the Russian Federation Ministry of Security, the Russian Federation Ministry of Internal Affairs, the Russian Federation State Committee for Affairs of Civil Defense, Emergency Situations, and Elimination of Natural Disasters, the Federal Agency for Government Communications and Information under the President of the Russian Federation, the Russian Federation Federal Administration for Railway Troops, the Russian Federation Foreign Intelligence Service, and the Russian Federation Main Administration for Security the following rights within the limits of funds allocated:

—to increase rates (salaries) on the Unified Rate Scale for pay for workers in the budget-funded sphere, as confirmed by Russian Federation Government Decree No. 785 dated 14 October 1992, for civilian personnel in military units and institutions, military training (training) establishments, and budget-funded enterprises and organizations (referred to hereinafter as "military units") by up to 50 percent. The specific size of an increase in the rate (salary) for categories of workers and kinds of activity shall be determined with the agreement of the Russian Federation Ministry of Labor and Employment;

—to set the procedure, conditions, and sizes of incentive payments, and also the provision of material assistance, making provision for up to six months of annual wage funds for these purposes;

—to apply a regional coefficient for wages for civilian personnel within the limits of the size of the coefficients established for the corresponding territories;

—to establish for civilian personnel in military units the size of wages, bonuses, and compensation applicable to the amounts envisaged for analogous categories of workers in budget-funded enterprises, institutions, and organizations in the republics making up the Russian Federation, krais, oblasts, and autonomous formations, and the cities of Moscow and St. Petersburg, on which territories military units are located;

—to determine the size of additional payments, compensation payments, and higher rates associated with the special activity of military units from the list agreed with the Russian Federation Ministry of Labor and Employment;

—to approve within the limits set for the numerical strength of workers and the wages fund, the structure and staffing of military units;

—to assign particular duties specific to military units and not included in the general-sector and sector categories as applicable to the analogous duties established by those lists, to the categories of the wage rates in the Unified Rate Scale;

—to determine the skill requirements for particular duties specific to military units.

2. To establish that wages for civilian personnel in military units deployed outside the Russian Federation shall be set in amounts and under the conditions provided for by this decree, while payment for civilian personnel in military units temporarily located abroad in foreign currency shall be set from the rates and salaries without considering the increases envisaged by this decree.

3. This decree shall enter into force from the moment of its adoption.

[Signed] V. Chernomyrdin

Opinion Poll Reveals Changing Attitudes Toward Work

934A06004 Moscow ROSSIYSKAYA GAZETA
in Russian 9 Jan 93 p 4

[Article by Eduard Andreyev, doctor of philosophical sciences and Russian Academy of Sciences professor: "Already, They Are Simply Not Paying Us and We Are Simply Not Working—and We Are Not Pretending."]

[Text] In his speech during Russia's Seventh Congress of People's Deputies, President Boris Yeltsin, when talking about the search for spiritual and moral reference points during the reforms, drew the conclusion: "A turning-point has been marked in the defining area—the people's attitude toward work. For the first time in many years, work not for a world revolution, not for the state and not for a bright future but for oneself and for the well-being of one's family and one's relations is acquiring value itself."

Painfully familiar words; a logic habitual to everyone. For many years, they said over and over again that an opportunity to "work for oneself," and not for landowners and capitalists, had appeared after the revolution for the first time. In actual fact, this turned into equalizing compulsory work and living according to the principle: "If they pretend that they are paying us, we will pretend that we are working."

The president is undoubtedly correct when he states that the change in the attitude toward work is one from which our people's rebirth will begin.

The problem of interesting people in constructive activity is the key one both for understanding the entire history of human civilization and for carrying out any reforms. However, has a "turning-point" in the Russians' attitude to work really been "marked" already in our reforms? We will attempt to answer this question, relying on data from a sociological survey conducted this summer and fall by the analytical center of the Russian Academy of Sciences Institute for Social and Political Research on the subject "How Are You Living, Russia?"

The survey took place through monitoring an all-Russian sampling. All told, 1,280 people were surveyed.

The following question was posed to the respondents: "How has the people's attitude toward work changed in your collective since the beginning of the economic reforms?" The replies were distributed in the following way (in percentages):

Improved—7.0

Remained unchanged—36.3

Worsened—33.3

Difficult to answer—16.7

As we see, almost 70 percent of those surveyed indicated that their attitude toward work either remained unchanged or worsened.

The answers to the following question: "If you think that the attitude toward work has changed, indicate why you think this occurred," testify to what influenced the Russians to the greatest degree.

The change in the situation:

In the country—39.3

In your republic—2.6

In your region—2.3

In your collective—4.5

My attitude toward work was changed—9.7

Thus, approximately two-thirds of those surveyed confirmed that the attitude toward work is really changing—basically not through the transformations in the republic, region or labor collective but, basically, as the majority think, through a sharp change in the situation in the country or their own personal psychology.

Here are the answers to the question: "What affected the change in the attitude toward work to the greatest degree?"

Material incentives—38.4

Organization of labor—6.8

Material and technical supply—7.3

Condition of labor discipline—10.3

Opportunity to satisfy social demands—4.7

Relations between directors and subordinates—4.8

Something else—1.6

The factor of material incentives noticeably stands out among the rest. Perhaps, this is what the president had in mind?

Of course, one cannot fail to note these changes. However, our research leads to an entirely firm conclusion: It would be premature to talk today about the coming turning-point.

The many years of experience in studying labor's social problems in our country and abroad establish a close mutual correlation: the state of affairs in society determines the level of the citizens' participation in reforms. In turn, an interest in labor gives birth to favorable arrangements regarding the sum total of social values. The absence of interest in creation and dissatisfaction with labor are the social and psychological basis for negative conduct. Thus, the stagnation and, subsequently, the drift of our society toward national catastrophe found their concentrated expression in the crisis of work motivation and the participation of the masses

in the social and political process. Could this really not have an effect on their implementing the transition to a market in the form of "shock therapy" when a drop in production and the deformation of the economic system are present and when the jump in prices exceeds the increase in incomes severalfold?

During the Seventh Congress, Yegor Gaydar again promised to shift to a policy which would "provide a clearly expressed structural turning in the national economy toward the needs of the people and the real needs of the Russian economy in 1993." However, the majority of Russians do not believe this.

According to our research data, three-quarters of the Russians are not counting on the authorities, a change of leadership, foreign assistance, domestic charity, or the results of CIS activity to improve their material condition. They are counting only on their own activity and entrepreneurship and the support of their families.

This, by itself, would be a positive improvement. Taken in a general context, however, it demonstrates one of the manifestations of the law concerning people's conduct, which is well known in sociology: they react not only and not so much on the existing state of affairs as on the tempos and nature of possible future changes in it. Put differently, is there a hope that they will survive or not? The real situation is such that a process of disagreement between the interests of the majority of Russia's population and the government's policy took place during the year of reforms. By the fall and winter of 1992, the conviction had taken shape among two-thirds of our respondents that the government's reforms were directed against the interests of the majority of Russians, the liberalization of prices (as the first step in the reforms) had sharply worsened their material situation and privatization still had an elite and criminal-mafia nature.

The opposition between the people and the authorities, the lack of interest in highly effective and conscientious work, the absence of social initiative—these are the main criteria for the citizens' tension, dissatisfaction and protest in a "quiet" concealed form. The people's reaction to the unfavorable situation in society, the deficiencies in the conditions for organizing and paying for labor and the domestic confusion is being reflected in the drop in productivity; the lack of labor and technological discipline; the turnover of personnel; the widespread increase in crime, alcoholism and drugs; and in open conflicts and protest actions.

Yes, the importance of the financial factor has grown substantially. However, this does not at all mean that the time factor has lost its topicality. On the contrary, the number of people, who would like to have a free hand with it, is growing. The role of the so-called local factor: the surrounding's condition; the population's composition; its historical and national distinctive features, traditions and forms of self-expression; the specifics of the region; etc., has also increased in the life of the people.

The conclusion: The elimination of the contradictions between free, associated and interested labor and the system presently existing for its social organization and the existing policy in the area of labor and its distribution has become the key problem in the shift to the new model for economic and social development. Who is it that draws people to work and how; who balances their work contributions and distributes everything produced; to whom do the conditions, process and results of work belong? These questions are indeed fateful ones. The optimum answer to them requires a transition to a socially oriented method for publicly organizing labor.

We cannot ignore all this if we intend not to bow blindly to the market but try to master it: if we proceed not from an oversimplified economic schema for social changes but strive to overcome the specifically economic approaches to man—just as any other one-sided methods and means.

Unions Caution Against Changes to Social Insurance System

934A0599A Moscow *RABOCHAYA TRIBUNA*
in Russian 9 Jan 92 p 1

[Address by trade union association representatives: "Trade Unions Stand Shoulder to Shoulder: The Social Insurance Fund Is Not a Juicy Morsel"]

[Text] Recently there have been so many attempts on the part of the authorities to destroy the unity of the trade unions and to divide them up into various branch and territorial "pieces"! For the easiest of all to deal with are those who live by their wits, without cues or orders, emphasizing only the interests of the simple person—the people, who are no longer silent. And they have succeeded! Some are given monetary infusions, and others are invited to Staraya Ploshchad, to the government (former Central Committee) apartments, and still others, the recalcitrant ones—have been barred from television.

But that was, as it were, "artillery preparations." Now the general attack is being prepared. The authorities have taken aim at the treasury entrusted to the trade unions as the main guarantee of social protection of the workers. Here it would seem that our defenders have finally begun to see clearly. Debates about the fine points of their concepts and programs, mutual complaints and ambitions have receded into the background. Yesterday's opponents have joined into a unified formation.

Here is a chronicle of these events. It became known that on 11 January it was planned to include on the agenda of the opening session of the Supreme Soviet the question of the institution of a Fund of State Stipends of Russia. And the trade unions were to be deprived of the right to manage social insurance. Thus the social guarantees would be in the hands of state bureaucrats. What for? Why? After all, the current social insurance system is still working.

Moreover, the "innovators" completely ignore the recommendations of the International Organization of Labor

concerning the need for consultation between the state authorities and worker organizations when resolving such issues.

In this connection, practically all the trade union associations of Russia (with the exception of Sotsprof [Association of Socialist Trade Unions] and the eminent government worker Ye. Gaydar) sent a demand to the legislators: Until the Law on Social Insurance in Russia is adopted, do not allow the currently existing social insurance system to be disturbed.

We offer the *RABOCHAYA TRIBUNA* readers the text of this address.

ESTEEMED PEOPLE'S DEPUTIES OF THE RUSSIAN FEDERATION!

Again following the will of certain political forces, at the session of the Supreme Soviet of the Russian Federation they are again raising the question of encroaching on the rights of trade unions by removing point 4 of Article 22 of the Labor Code, "On the right of trade unions to manage state social insurance and also sanatoriums, preventive treatment facilities and houses of recreation, and cultural, educational, tourist, and sports institutions under their jurisdiction."

Thus, an attempt is being made to eliminate workers as represented by their trade unions from active participation in the social policy. Recently there has been an increased spreading of rumors to the effect that the trade unions are existing only on funds from state insurance. Without entering into polemics with these people, we responsibly state that the position of the trade unions is dictated by profound uneasiness over the provision of social guarantees for millions of workers and their children with money from social insurance funds. More than 95 percent of this money is spent in the local areas, in the labor collectives, and only what is left after that makes up the necessary Russia-wide reserve.

Management of the social insurance fund is public, and it has never once failed. Any breakdown in the system of management of social insurance at the present time would entail only the removal of the trade union committees, growth of the apparatus of state employees, and the confusion and disorder that are inevitable in such cases. A legitimate question arises: In the name of what is this being done, and what will it do for the working person?

Under the conditions of the severe economic crisis in which Russia finds herself today, the trade unions have thought and still think that social guarantees for the workers should not only be kept at the level now reached, but be strengthened as much as possible.

Instead of this, first in the government and now in the Supreme Soviet, certain individuals are persistently looking for ways of destroying the social insurance system which is under the control of the workers represented by their trade unions, while forgetting that Article

32 of the Constitution of the Russian Federation establishes the precedence of international norms pertaining to human rights over national legislation.

The question of point 4 of Article 226 of the Labor Code has been considered three times at sessions of the Supreme Soviet, and three times the wording of the article was retained.

It is quite obvious that changes in the system of management of social insurance must be made on the basis of the law on social insurance, and individual articles of the present Labor Code must not be primitively abolished.

We who have signed this address represent trade union associations of Russia; we are unified in our opinion about the management of social insurance funds, and we are hoping for objectivity and support from the Supreme Soviet of the Russian Federation.

From the Federation of Independent Trade Unions of Russia—I. Klochkov; from the Russian Confederation of Free Trade Unions—N. Solovyev; from the Trade Union of Cash Collectors of the Russian Federation—Yu. Sedykh; from the SMOT [expansion not given] Association of Free Trade Unions for Protection of Workers—V. Klebanov; from the Russian Trade Union of Workers of Exchanges, Commercial, Farm, and other Entrepreneurial Structures—V. Krivopuskov; from the Trade Union of Flight Personnel of the Russian Federation—G. Dominyak; from the Federation of the Trade Union of Airline Workers of Civil Aviation—B. Kremnev; from the Trade Union of Workers of Engineering-Aviation Services PRIAS [expansion not given]—V. Kurochkin; from the Congress of Russian Trade Unions—Yu. Kosarev; from the Conference of Free Trade Unions—I. Khazanov; from the Association of Free Trade Unions of Small, International, Leased, Joint-Stock, Individual, and Other Enterprises and Organizations MAKKIP [expansion not given]—B. Fedorov; from the Independent Trade Union of Military Servicemen—A. Goptar; from the All-Russian Unity Trade Union—T. Shtukina; and from the Moscow Union of Collectives and Citizens for National Privatization—Yu. Ass.

Airworthiness Certificate for Il-96 Wide-Bodied Airliner

934A0626A Moscow IZVESTIYA in Russian 30 Dec 92 Morning Edition p 2

[Report by IZVESTIYA correspondent Viktor Belikov: "The Il-96 Is Appearing on the Airways"]

[Text] The airworthiness certificate for the long-range wide-bodied Il-96-300 airliner was handed over to General Aircraft Designer G. Novozhilov at the OKB [Experimental Design Bureau] imeni Ilyushin on 29 December.

The certificate is a state document which attests to permission for the aircraft to fly in scheduled operation on the airways with passengers. The new aircraft will

carry 300 passengers in "economy class" or 235 passengers when the cabins are configured for three classes. It can fly for up to 9,000 kilometers nonstop at a speed of 850 kilometers per hour. It has four PC-90A turbofan engines which have good fuel economy and indicators comparable with foreign engines of the same type.

Issuance of the certificate ended over 4 years of flight tests which began on the day that the firm's chief pilot, S. Bliznyuk, took the aircraft off for the first time from the strip at the Central Airfield on Moscow's Leningrad Highway. The honored test pilot now tells an IZVESTIYA correspondent:

"Some 1,200 flights were made in nine experimental and series aircraft with participation by crews from the OKB, pilots from the Voronezh Aircraft Plant, and Aeroflot pilots, who now will be flying the Il-96 on domestic and foreign routes. The engine manufacturers and those who developed the completely new instrument complex took part in the tests as well. I make no secret that there were quite a few problems and malfunctions experienced by each group of specialists. After all, no passenger aircraft with such an 'array' of fundamentally new systems and assemblies had been developed before by the domestic aviation industry."

It is sufficient to recall that in the course of one of the tests for maximum endurance, the Il-96-300 flew from Moscow to Petropavlovsk-Kamchatskiy and return without landing, spending 18 hours in flight—1.5 times longer than its flight from Sheremetyevo to Singapore. Incidentally, a substantial number of the so-called service tests were conducted on this route to Southeast Asia, enabling us to evaluate the aircraft from the viewpoint of its compatibility with the airports and other civil aviation services.

At the same time, by delivering accompanying cargoes to both points, the aircraft covered all the expenses for the tests and brought in income in SKV [freely convertible currency]. Five of the long-range airliners may be transferred by today for permanent assignment at Sheremetyevo or another air transport enterprise.

A year and a half ago, this reporter was given the opportunity to return to Moscow in the Il-96 after it took part in the Le Bourget-91 international air show near Paris. After landing and thanking G. Novozhilov for the pleasant trip (the 3-hour flight in the spacious, comfortable cabin cannot be described otherwise), I heard this memorable statement from the aircraft designer:

"Our entire delegation will fly to the Le Bourget-93 air show in an Il-96 on a routine Aeroflot flight."

Judging by everything, this promise will be realized.

'Molniya-1' Light Aircraft Profiled

934A0626B Moscow PRAVDA in Russian 4 Jan 93 p 4

[Report by Yuriy Stepanov and Aleksandr Trutnev: "The New Role of the 'Molniya'"]

[Text] Toward the end of last fall we were just about the first journalists authorized to visit an enterprise which until recently was considered to be secret—Moscow's "Molniya" Scientific Production Association, where space systems are developed. Different times have come for the enterprise's specialists now. The volume of financing has been cut back, and the NPO [scientific production association] has been forced to look for ways to apply its creative efforts in a new role.

For 2 years now, they have been developing passenger, business, and cargo aircraft here, aircraft for medical evacuation and patrolling, and for geological, forestry, and fishing reconnaissance.

"Here on the desk I have something that looks like a toy airport," Gleb Lozin-Lozinskiy, general designer and director of the "Molniya" NPO and doctor of technical sciences, tells us. "But these are not toys—they are mock-ups of aircraft that our specialists are working on now. The first 'swallow' is the six-seat 'Molniya-1' air taxi, which is already in takeoff position at the Zhukovskiy Airport in suburban Moscow. You are welcome to visit there!"

So on the eve of the New Year we went to the Flight Research and Testing Institute (LIII) imeni M. Gromov. Here we actually saw their latest creation.

"There are no aircraft like the triplane in our country, or probably in the world," Chief Designer Yuriy Trufanov stated. "It has three airfoils—horizontal surfaces fore and aft and a normal wing in the middle. Three versions of the triplane are planned: the executive version, with soft seats and a desk, a safe, and even a small galley unit. The airplane's ambulance version will be provided with medical equipment, and it may also be used as an air taxi for six passengers, including the pilot. And it consumes one-third as much fuel as the An-2 or the L-410. The aircraft could not be any safer; it cannot 'fall into a spin.'"

The NPO specialists began arriving at the Zhukovskiy Airport in the morning. They included test pilots, designers, and leading specialists of the association who developed the space shuttle "Buran" and combat rocket technology. This time they have come here to give a start in life to the first domestic triplane. It will have to undergo a series of flight tests, and the necessary adjustments and refinements will be made on the basis of them. Then a neutral commission of the LIII will issue a certificate for the aircraft and it will go into mass production at two plants—in Moscow and Samara.

But now... Test pilot N. Generalov is being driven up to it. In "full dress," a dark blue flying suit and white helmet. Last-minute instructions on the ground, and the pilot gets into the cockpit. The small cabin is filled with instruments and sensors. They will be transmitting all the needed parameters and performance characteristics of the aircraft to computers.

"Two zero one, cleared for takeoff," directs the control tower.

The engine is started, the aircraft makes a smooth takeoff run and takes off.

The test supervisor climbs up to the glass-enclosed tower. The radar screens are brightened by the green sweeps, communications with the pilot are loud and uninterrupted, and more and more new data are being reported by the telephones...

N. Generalov took the aircraft to an altitude of 200 meters, then he climbed higher. Below lay the long runway, the winding Moscow River, not yet frozen, was sparkling, and we saw the dark pine forests around the city, the settlements of dachas, and the fields dusted with snow...

In the process of certification tests, the "Molniya-1" is to receive approval for its entire service life—15,000 flying hours, including 25,000 landings and takeoffs. The period of service for an aircraft such as this is 15 years, after which it will undergo a comprehensive check, and if everything is up to standard, it will receive authorization for further operation. A great deal of attention is being given to safety and comfort.

Next in turn after the aircraft has been manufactured is a similar model with two independent engines. Even if it is assumed that one engine fails for some reason, the aircraft is assured of reaching its destination on a single engine.

The test flight lasted for 30 minutes. Precisely at the appointed time, the silvery-white point appeared on the horizon and began to get larger. Soon the "Molniya-1" was rolling out on the runway toward the parking area...

The "Molniya-1" triplane will be taking off time and again from the testing area in Zhukovskiy in the new year. Development work lies ahead. But what is most important is already apparent: the new-generation aircraft will have a long working life. Smooth flying for our triplane!

GAZ Auto Plant Privatization Examined

934A0617A *Izvestiya in Russian* 29 Dec 92 Morning Edition p 2

[Article by Anatoliy Ershov: "'GAZ' Has Become Joint Stock Company"]

[Text] Nizhniy Novgorod. The largest production association, the "Gorky Automobile Plant" has ceased to be a state enterprise. It is now registered as a joint stock company of the open type, "GAZ."

The collective with its many thousands of automobile workers has decided to become a joint stock company according to the first variant of privileges, but taking into account the scale and special features of an enterprise. For example, certain affiliates of GAZ—and these

are large plants, turning out component parts and machines—have recently turned out to be, as it were, “abroad”—in Ukraine, Tajikistan, and other states. To the credit of the automobile workers, they have succeeded nevertheless in preserving the giant automobile manufacturing complex, which has been formed and has operated over a period of 60 years. All subdivisions have been placed on a joint stock company basis within the new joint stock company. However, for example, the Saranskiy plant for dump trucks, when privatized, chose the second variant of privileges.

There is a special edict of the president of Russia “On the Special Features of the Privatization of the Production Association ‘GAZ’”—a document according to which the collective of the very old enterprise is given the right to certain additional privileges. According to the statute on privatization, the collective receives for its disposition 25 percent of so-called preferred shares—“non-voting”—and another 10 percent of privileged shares (with a discount of 30 percent). As regards the option that management should receive five percent of the shares, a vital addition has been introduced here. At GAZ many thousands of workers are employed in such major subdivisions as metallurgical foundry production, truck and passenger car production, instrument production, and others, and these facilities are, in essence, “plants within a plant.” Thus managers of these subdivisions have also been given the right to buy back shares from the same five-percent option. If on the original list a total of 13 managers appeared, then there are now 165 managerial workers in the company. Representatives of the administration can of course acquire shares only at their nominal value—1,000 rubles apiece.

In addition, the president’s edict establishes yet another important privilege. Preferred, non-voting shares can subsequently be converted into common stocks, when the quantity of shares at the disposal of the state constitutes no more than 25 percent of the total number of shares of the joint stock company “GAZ.”

The joint stock company “GAZ,” unfortunately, has not escaped our general misfortunes—failure to pay suppliers, the rupture of economic ties, and “the card index” [temporary financial sanctions]. But, it seems, the automobile workers are mobilizing all reserves in order to survive, to withstand difficult trials. There are several new prospective products at the enterprise, including output of a new “one-and-a-half-ton” truck. The small, mobile, economical little truck, developed by specialists at “GAZ,” is very suitable for farmers and private entrepreneurs. It is capable of reaching speeds up to 120 kilometers an hour, and fuel consumption per 100 kilometers is 12 liters in all. Demand for such a vehicle is assured. Output of the new “Volga”—“GAZ-31029”—has recently been mastered on the conveyor. Very large-scale diesel production is being organized. In the near future, the collective should, with its own resources, prepare hundreds of technological lines, and production of the first 10,000 diesel trucks is stipulated for next year.

In all, there will be about 200,000 stockholders at “GAZ.” It is reckoned that the controlling block of shares should belong to the enterprise. Therefore, at subsequent open auctions, GAZ workers intend to again acquire a significant portion of securities. Incidentally, the authorized capital of the new joint stock company “GAZ” is 5.8 billion rubles.

Baykal-Amur Railroad Neglect Scored

934A0618A Moscow ROSSIYSKAYA GAZETA
in Russian 22 Dec 92 p 4

[Article by Valentina Cherneta: “The Forgotten Baykal-Amur Railroad”]

[Text] An international competition has been announced for the best plan for developing the Udozhansk deposit of copper-bearing sandstone. Large foreign firms are competing for the right to build a concentration plant and a city to the north of Chita Oblast.

Meanwhile, a majority of the BAM [Baykal-Amur Railroad] settlements are welcoming the approaching new year with something less than enthusiasm. Nobody is planning to complete the construction of the railroad. And this means that there is little hope of expecting permanent work or a normal way of life. Almost all of the construction administrations have departed the Chara Settlement and the locomotive pool is being dismantled. The railroad settlement is disappearing. The BAM pioneers, as the need develops, are leaving for parts unknown.

At one time, a great amount of political and social importance was attached to this “construction project of the century.” During the 17th Congress of the VLKSM [All-Union Lenin Young Communist League], L.I. Brezhnev stated: “The Baykal-Amur Railroad cuts through the centuries-old taiga and it passes through areas containing tremendous resources which must be placed at the disposal of the homeland. It is here that a new and large industrial region for the country will be created and where new cities and settlements have been established.”

Thousands of collectives of various branches of the national economy have participated in this construction work. Mountain ridges and gorges as well as rivers and swamps have been overcome. More than 200 million cubic meters of soil have been moved and more than 3,000 man-made installations have been erected, including 142 bridges ranging in length from 100 to 300 meters as well as tunnels the overall length of which is 25.3 kilometers.

The plans also called for the construction of comfortable homes, stores, schools, kindergartens and hospitals. Attracted by a comfortable way of life, the BAM workers were expected to be part of a miracle of labor heroism on permafrost: 320 kilometers of railroad annually.

Today the people who mastered these unique areas are forced, as beggars, to go elsewhere.

In the photographs: "In our depot, it is as dark as the underworld," stated machinist N. Balaban. "There are no lamps, and matches are used to illuminate our work areas."

Construction of a new building for the Chara Hospital was halted even before work actually commenced.

Kemerovo RR Coal Transport Performance Highlighted

93A0619A Moscow GUDOK in Russian 22 Dec 92 p 2

[Interview with A. Koryachkin, chief of the Kemerovo Railroad, by K. Korolev, staff member of the press center for the Kemerovo Railroad]

[Text] Coal constitutes approximately 70 percent of the overall volume of freight handled by the Kemerovo Railroad. Thus the work volumes of the railroad workers and their social well-being are dependent upon the results of mining operations.

Earlier, this dependence was not as critical as it is today: in the event of a decrease in the extraction of coal, the plan could be corrected or reduced. Under market conditions, the situation is now changing radically. Rather than plan figures, the railroad requires income. In this regard, a sharp drop in the shipping volumes is arousing some alarm: compared to the year it came into being, and the Kemerovo Railroad derived from the West-Siberian Railroad 13 years ago, at which time the railroad transported 153.3 million tonnes, this year only 130 million tonnes will be transported. This was the subject of our discussion with the A. Koryachkin, chief of the Kemerovo Railroad.

[Korolev] Anatoliy Mikhaylovich, how can you explain the fact that our coal-transport complex has experienced such a sharp decline? Indeed, there has been no decrease in the requirement for Kuznets Basin coal.

[Koryachkin] When we had a unified union, the extraction and shipping of Kuznets Basin coal increased from year to year. Our most productive year was 1988, when 167 million tonnes were shipped.

Following the first mass strike by Kuznets Basin miners in the summer of 1989, the extraction and shipping of fuel fell by 30-40 million tonnes annually. There were many reasons for this. They included neglect of the social sphere for the miners and halting of the basin's technical development. Prior to this, the relatively harmonious development of the coal mining branch and the transport process had undergone certain changes. At the time, 12 million tonnes of coal had accumulated at the mining storehouses. Such stations as Yerunakovo, Kiyzak, Kuregesh and Uglerod of the Novokuznetsk Branch can be cited as examples. Here the spur tracks and attendant

facilities had fallen behind considerably in their development, despite the fact that such development was planned by Minugleprom [Ministry of the Coal Industry] and authorized by governmental documents handed down by the former union.

During the 1970s and 1980s, the social requirements of the miners more often than not fell victim to production and new capabilities were introduced in accordance with an "abbreviated" program. As a result, mining production increased while the living and working conditions deteriorated. Minugleprom economized in the use of funds for transport services, allocating for this purpose not more than one third of the planned volume of funds. Thus it turned out that while coal is available, difficulties exist in connection with transporting it. In particular, no provision was made at Yerunakovo Station for building a point for the preparation of freight cars or housing for the complete work staff. Construction of the Kuregesh-2 Railroad Station was "frozen." As a result, we are unable to ship approximately 5 million tonnes of coal annually. A similar situation prevails at Kiyzak Station, which at the present time is handling no more than 450 freight cars of coal daily instead of the planned number of 550. Up to three million tonnes are being lost here!

In June, a representative delegation from the Kuznets Basin met with Ye. Gaydar, who promised to furnish support in developing spur tracks to the south of the Kuznets Basin. But it is still not known if this action was followed by practical measures.

[Korolev] Judging by the operational data, the railroad is on the whole fulfilling the monthly orders for freight cars, despite the fact that these too are also in short supply. Then why are we encountering rejected freight cars?

[Koryachkin] It bears mentioning that the presentation of coal for shipment and the availability of coal are not the same. An intermediary stands between the miners and railroad workers—the PTU [pogruzochno-transportnoye upravleniye; loading-transport administration]—which calls for a "maximum" number of cars. Fines are imposed upon the railroad workers if they fail to supply the required number. Should the miners reject freight cars, they must pay a penalty. As you can see, the PTU cannot lose. One bad feature is the fact that such intermediation distorts the true status of affairs at the mines and quarries, it inhibits the organization of loading operations and it increases the number of empty runs carried out using the freight car pool.

On one occasion, during a discussion of the situation by the Board of the MPS [Ministry of Railways], we requested that a plan be established for freight shipments not from above but rather from below—at the branch and administration level for the railroad, those having direct contact with the coal miners. In such a case, there is less of a need for the PTU as a planning organ. We are convinced that even associations, and not only individual mines, submit fewer requests for freight cars than

does the PTU. This is why the miners often reject freight cars which they do not need but which they nevertheless ordered.

Today the labor mood among the miners is not at all like that which prevailed 4-5 years ago. Their wages have been increased sharply, but these wages are not in line with the increase in the extraction volumes. At the same time, work motivation has been forfeited. Why exert oneself when things are going so good? The railroad workers need stable shipping volumes and knowledge of the prospects for mining production. As regards the PTUs, at one time it was suggested that they be transferred over to the railroad transport system, but as technological production elements rather than planning organs.

We are awaiting publication of the new Regulations for Railroad Workers, according to which planning will become more realistic and business-like relationships with customers will be arranged on a contractual basis. As yet, we have contracts only for direct export freight shipments.

Under market conditions, the system of fines must be replaced by a contractual system that encompasses a broader range of mutual obligations. Thus, direct contacts with the mines or quarries, or with their associations, naturally serve to increase the responsibility of the parties involved.

[Korolev] How do you visualize the coal-transport complex in the Kuznets Basin for the foreseeable future?

[Koryachkin] During the second half of this year, the extraction and sale of coal by the miners declined owing to financial difficulties in mutual accounts, in the form of prepayments. But it is believed that this situation will not endure for very long. The flow of Kuznets Basin coal must increase during the next few years. Indeed, the Kuznets Basin is Russia's chief "stokehold" and this imposes many obligations. Moreover, under market conditions importance is attached not only to extracting the coal but also selling it as quickly as possible. Naturally, the railroad is an important element in this chain. It forces the miners to develop the transport and loading economy. With regard to the reserves we have at our disposal, one can make a judgment using the Bachatskiy open pit mine as an example. It is capable of furnishing up to 12 million tonnes of coal annually, but owing to a lack of transport equipment no more than 1.5-2 million tonnes are being obtained at the present time.

The Meret Station will be completed next year and it will ensure additional output for the Transsiberian and Central Siberian Railroad. It will be able to handle up to 12 million tonnes of coal annually from the Karakanskiy deposit. This will require connecting the trunkline to the railroad branch and thereafter continuing it to Krasulino Station and subsequently to the Yerunakovskiy deposit, which will then furnish 32 million additional tonnes. The overall length of the track running from Meret to

Krasulino is approximately 100 kilometers. But Krasulino is still not a station, rather it is a siding that lacks the proper technical equipment. Moreover, just as at the neighboring Yerunakovo Station, it lacks housing and basic living conveniences for its service personnel.

Simultaneous with the establishment of transport services, a need will exist for developing coal enterprises at new deposits. Considerable resources and funds are required for this purpose, with state capital investments providing the foundation for this work. If they are not available, as is the case at the present time, then it makes no sense to discuss future prospects.

New Railway Security Force Created

934106254 Moscow *NEZAVISIMAYA GAZETA*
in Russian 26 Dec 92 p 6

[Article by Aleksey Khimushkin: "Special Purpose Railway Group Created"]

[Text] Quite possibly, passengers will now sense a greater degree of security.

Desperately wanting to combat those who violate law and order and also incidents of vandalism on the electric trains, Moscow's railroad workers formed their own special purpose battalion.

Since the beginning of 1992, 33 trains of the Moscow Railroad have been interrupted and 38 railroad cars demolished, the restoration of which cost more than one billion dollars. At the present time, approximately 200 individuals are already serving in this special purpose battalion. For the most part, these are former "Afghan" soldiers, army officers who were discharged into the reserve, athletes and workers attached to legal protection organs. The battalion is headed by MVD [Ministry of Internal Affairs] Major General Edward Kalachey, who also underwent his combat baptism in Afghanistan. The soldiers wear their combat uniforms and are supplied with all of the required technical means, as well as war dogs. The battalion's workers receive instruction and undergo training in accordance with a special program at the capital's "Lokomotiv" Stadium.

The railroad special purpose group commenced its patrol service in the Riga sector by exercising control over all of the daytime and especially evening and nighttime electric trains. Subsequently, the patrols began operating on trains in the northern sector. As the size of the special purpose group increases, plans call for protection to be provided for the entire Moscow junction and thereafter for the entire railroad. Plans call for the battalion's personnel strength to be increased to 500 in the near future. At that time, it will begin providing escorts for long-distance passenger trains.

The 8 October 1992 ukase of the president of the RF [Russian Federation] entitled "Measures for Defending the Rights of Citizens, Safeguarding Law and Order and Intensifying the Campaign Against Crime" and also the

decisions handed down on 24 June 1992 by the joint board of the MPS [Ministry of Railways] and the MVD of Russia, created the legal basis for the subunit's operations. In carrying out its practical work, the battalion is guided by the statute dealing with para-military protection for the MPS. Naturally, the many rights of the soldiers presuppose increased responsibility, special requirements being imposed upon recruits and strict punitive measures in the event of legal violations. The MPS of Russia furnished a great amount of assistance in connection with the creation of this special subunit. In particular, Minister Gennadiy Fadeyev, through the RF Ministry of Defense, provided assistance in resolving the weapons problem for the battalion's workers.

REGIONAL AFFAIRS

Law on Creation of Ingush Republic

934C0715A Moscow ROSSIYSKAYA GAZETA
in Russian 29 Dec 92 p 5

[Congress of People's Deputies decree: "On the Russian Federation Law, 'On Formation of the Ingush Republic Within the Make-Up of the Russian Federation'," signed by Russian Federation Supreme Soviet Chairman R. I. Khasbulatov on 10 December 1992 in Moscow]

[Text] The Russian Federation Congress of People's Deputies hereby resolves:

1. To ratify Article 1 of the Russian Federation law, "On the Formation of the Ingush Republic Within the Make-Up of the Russian Federation."

2. That the Russian Federation Supreme Soviet, the Russian Federation President, and the Russian Federation Government shall take measures for formulating the agencies of legislative and executive power of the Ingush Republic.

3. That the Russian Federation Ministry of Justice, the Russian Federation Supreme Court, and the Russian Federation Higher Court of Arbitration shall take measures for formulating the judicial system of the Ingush Republic.

The Russian Federation Procurator General shall formulate the agencies of the Ingush Republic Procurator's Office.

4. That the powers and authorities of the Russian Federation people's deputies elected on the territory of the Chechen-Ingush Republic shall be retained for the full term established by the Russian Federation Constitution.

5. The present decree shall become effective from the moment of its publication.

[Signed] Russian Federation Supreme Soviet Chairman
R. I. Khasbulatov
Moscow, the Kremlin
10 December 1992
No. 4070-I

Amendments to Statute 71 of RF Constitution

934C0715B Moscow ROSSIYSKAYA GAZETA
in Russian 29 Dec 92 p 5

[Russian Federation law: "On Introducing Amendments to Article 71 of the Constitution (Basic Law) of the Russian Federation—Russia," signed by Russian Federation President B. Yeltsin in Moscow on 10 December 1992]

[Text] In accordance with Article 104 of the Constitution (Basic Law) of the Russian Federation—Russia, the Russian Federation Congress of People's Deputies hereby decrees:

1. That the Chechen-Ingush Republic shall be transformed into the Ingush Republic within the make-up of the Russian Federation and the Chechen Republic within the make-up of the Russian Federation.

2. That part one of Article 71 of the Constitution (Basic Law) of the Russian Federation—Russia, after the words "Dagestan Soviet Socialist Republic—the Republic of Dagestan," shall be amended with the words "Ingush Republic," and after the words "Republic of Khakasiya,"—with the words, "Chechen Republic." The words "Chechen-Ingush Republic" shall be deleted.

[Signed] Russian Federation President B. Yeltsin
Moscow, the Kremlin
10 December 1992
No. 4071-I

Caucasus Region as Focal Point of Russian National Politics

934C0715C Moscow ROSSIYSKAYA GAZETA
in Russian 31 Dec 92 p 9

[Article by Aleksandr Aleshkin, national relations department editor: "The Southern Direction"]

[Text] In recent years, the Northern Caucasus region has been attracting the attention of Russians more and more. And not only them. The glances of the nearby as well as the distant foreign countries have also been directed here. The Muslim East has especially been exhibiting ever increasing interest.

There are many reasons for this. And the main one is the separatist aspirations of the radical leaders of the national movements. At least as a program slogan, the idea of creating an independent confederative Caucasus state has been proposed and widely discussed by them as a reference point for the future.

A fervent proponent of this idea is the insurgent General Dudayev—still not recognized by Moscow, but nevertheless a popular leader in the region. At the beginning of this Fall, the president of the Chechen Republic even

tried to call together something akin to an all-Caucasus assembly of peoples in Grozny, inviting to it the lawfully elected leaders of the sovereign republics and krais of the Northern Caucasus, as well as the leaders of the national movements.

The former unanimously ignored Dudayev's appeal. However, he was not embarrassed by the demarche of the "Kremlin vicereagents," as he called them. Speaking first after the opening prayer of a high-ranking Muslim minister, he clearly defined the ultimate goal of the assembly—the creation of a unified Caucasus state outside of Russia.

Alas, the ambitious desires motivate not only the president of Chechnya. The president of the Confederation of Mountain Peoples of the Caucasus (KGNK), Musa Shanibov, would also not mind becoming the new imam [head leader] of the Caucasus.

There are also ambitious men of a somewhat more humble caliber. However, there are very many of them. And they are ready to fanatically serve any imam who will dare throw out the challenge to Moscow.

Could Moscow have left these sentiments without attention? No, it could not. And we see how the Russian leadership is with ever increasing activity "assimilating" the problems of the Northern Caucasus.

All the structures of legislative, executive and judicial power have firmly begun operating in the "southern direction." This expression, taken from the reports of the Informational Buro of the times of the last war, sounds more than just symbolic. The situation here is ever more often becoming combative. And this, specifically, determines the rank of the visitors.

Boris Yeltsin has visited the Northern Caucasus. Almost all of his deputies in the government have visited here, including Yegor Gaydar. The leader of the Russian parliament, Ruslan Khasbulatov, has also visited his alma-mater, as have almost all of his deputies. Bureaucrats of a lower rank—chairmen of parliamentary committees, ministers and deputy ministers of defense, security, and internal affairs of the Russian Federation are serving an almost alternating "duty watch" here, figuratively speaking.

It is indicative that the Russian Federation Goskomnats [State Committee on Nationalities] has a special department which is called just that—"Northern Caucasus."

Recently, under the leadership of Goskomnats Deputy Chairman Vladimir Lysenko, a group of scientific experts and representatives of Russian departments conducted a comprehensive discussion of the jointly developed document, "Current Ethnopolitical Situation in the Northern Caucasus."

The analytical report comprises 30 pages of single-spaced typewritten text.

I will cite from it only two expert conclusions: **First:** "As a result of the colonial policy and genocide of the mountain peoples, two times (in the course of and after the Caucasus War, as well as after the Great Patriotic War), a blow was inflicted upon the national life of the mountain peoples. The memory of these events, which destroyed their national dignity, still lives in the Caucasus. The restoration of the lost dignity today comprises the basis for the ideas of national rebirth."

Second: "At the present time, the Northern Caucasus is one of the most conflict-ridden regions in the Russian Federation, a situation which is determined by the critical accumulation of contradictions in the sphere of national-state organization and interethnic relations here."

These are the conclusions of the scientists. We might add, however, that they were not so difficult to draw. All this is visible, as they say, to the naked eye. Russia is seriously threatened by disintegration as a unified federative state. Ruslan Khasbulatov expressed alarm in this connection at the last Congress of People's Deputies. And the chain reaction may begin specifically with the Caucasus. Chechnya has already set the example for this.

Alas, the armed interethnic conflict also began for Russia with the Caucasus. With the beginning of the armed Osetin-Ingush clash, the President of Russia was forced to declare a state of emergency in North Osetia and the Ingush Republic, and to introduce armed forces into the conflict zone—for the purpose of peacemaking. The energetic measures which were taken made it possible to localize the conflict, but not to liquidate it entirely.

Experts on this conflict also express the correct idea which, unfortunately, is all too well understood by everyone: "We may confidently affirm that any decision made with the participation of the Russian administration in the region where the state of emergency has been declared will cause dissatisfaction of one of the parties in the conflict and, as a result, intensification of anti-Russian and separatist sentiments."

However, the tight Osetin-Ingush knot of problems is not the only one in the region. At the present time, there are around 180 territorial-ethnic disputes within the boundaries of the former USSR. A significant number of these is in the Caucasus region (the most acute of these are described on this page).

This is why the "southern direction" remains a vital, top priority one in the concept of the national politics of the Russian leadership (which obviously, certainly does not mean an underestimation of other regions).

Draft of RF, Chechnya Agreement Pending

93AC0725D Moscow PRAVDA in Russian 9 Jan 93 p 2

[ITAR-TASS Report: "A Political Fever in Chechnya"]

[Text] This is already the second week that the draft treaty between the Republic of Chechnya and the

Russian Federation has remained at the center of attention among political movements and the organs of power. The Executive Committee of the OKChN [All-National Congress of the Chechen People] has decided that the above-mentioned treaty ought to coincide in letter and spirit with Chechnya's declaration of state independence. In other words, this means that the OKChN Executive Committee is opposed to the republic being included within the body of Russia.

Shakhray on Aspects of Caucasus Emergency

PM1401145393 Moscow IZVESTIYA in Russian
11 Jan 93 Morning Edition p 5

[Interview with Sergey Shakhray, chairman of the State Committee for Nationalities Questions, by Leonid Nikitinskiy of the SHESTOY ETAZH independent news agency on 27 December in Vladikavkaz: "State of Emergency Area"—first paragraph is editorial introduction]

[Text] The tape recorder was switched on at midnight on 27 December after three days of rushing around the roads of North Ossetia and Ingushetia, and tense and involved meetings between, on the one hand, Sergey Shakhray, chairman of the State Committee for Nationalities Questions, and Aleksandr Kotenkov, who replaced him as head of the Interim Administration, and, on the other, the leaders and members of the public from the two now-warring peoples. The situation in the headquarters located on the territory of the Vladikavkaz Military College was not conducive to a considered philosophical discussion, but nonetheless the question of a rule-of-law state—which Sergey Shakhray had promised this correspondent he would answer back in our last interview in the summer—was raised at the very outset. The answer, it seemed, came from a man who was not only tired but somewhat irritated.

[Shakhray] When we discuss a rule-of-law state we most often think of its formal aspects. I see no particular point in talking about this in the current situation. I think that the law can in principle only prove stronger than the state when it is backed up—like our bodyguards outside the door—by corresponding state institutions and years of being accustomed to observing the requirements of the law.

But our state is weak, and in a weak state there can be no primacy of formal law.

[Nikitinskiy] After three days of risky journeys together I'm entitled to ask a question that is worrying many people in Moscow. What was the meaning of Shakhray's appearance on TV in paratroop fatigues rather than his usual suit and tie?

[Shakhray] You've heard that I always apologize to people for not always having time to change out of uniform. Incidentally, my suit's all crumpled in my case. You can see for yourself the conditions we're living under—there's no hot water for washing shirts. You yourself have rattled along these roads in an armored transport—would you have been much comfier in a suit?

No weight, much less any sinister meaning, should be ascribed to my appearance in fatigues.

[Nikitinskiy] In the past three days I've gotten the feeling that people here are waiting for some strong authorities which would be capable of solving their problems. Although the vice premier in fatigues may scare some in the center, here it is more likely to reassure many people.

[Shakhray] Yes, here in the conflict zone, the weakness of state power is felt particularly strongly and dramatically. Indeed, the conflict itself has become a manifestation and consequence of that weakness. But we must now demonstrate not only force of arms, but the force of justice which Russia has always had and still has behind it.

We are operating within the law—the Law on the State of Emergency, all of whose requirements have been scrupulously observed, including the local authorities' appeal for it to be instituted. But it is quite natural that state-of-emergency legislation is different from peacetime legislation—put it that way.

[Nikitinskiy] Which part of the law on the rehabilitation of repressed peoples adopted by the Supreme Soviet about two years ago to applause from the deputies are you applying?

[Shakhray] I know you're being ironic, but I don't accept your point. There are very complex conditions here which require individual solutions in each instance rather than general solutions as in a legislative approach. Although, on the other hand, the high-handedness that was endemic here under Soviet power—when borders in the North Caucasus were redrawn quite arbitrarily and opportunistically on more than 30 occasions—have created this situation whereby general, normative (that is, normal) decisions are unacceptable.

The law on the rehabilitation of repressed peoples—although passed with the best of intentions—was not equipped with the mechanisms needed to enact it, and attempts to unilaterally implement it spontaneously, much less by force, lead to conflicts which will merely negate or push back the aims of the law. Moreover, we need to take account of the fact that the people who were moved in to take the place of the deportees often weren't consulted either.

As chairman of the State Committee for Nationalities Questions I see my role here as making very individual, cautious, and coordinated decisions. Both parties to the conflict may be unhappy with me: sometimes—when both are it doesn't matter. They start to realize that I have to work with the other side too. There is as yet no direct bridge between the two parties to the conflict, and we have been forced to build triangles. But what else can we do? Nobody's going anywhere—all the peoples who have lived here since time immemorial will continue to live here.

[Nikitinskiy] In your public statements recently I have noticed two definitions regarding the North Caucasus. The first was: "This is Russian soil." The second was: "This is an area of Russia's priority state interests." Aren't those statements contradictory? If the second is true, how do Russia's priority interests relate to the interests of Georgia, Armenia, Azerbaijan, or, say, Turkey in this region?

[Shakhray] The relationship is that it's foreign policy for them, but domestic policy for us. This is Russian territory. We have come here to bring reconciliation following a conflict. We will set our own house in order. Russians should not be seen as mediators here or as a neutral party, since we—that is, Russia—are an affected party.

I am also entitled to say this because my forbears on my father's side—Terek Cossacks—are all buried here. My father still lives in a Cossack village 100 km from where we are speaking.

[Nikitinskiy] Is your Cossack background a help or a hindrance in this complex Caucasian diplomacy?

[Shakhray] It's a help in the sense that I know the situation, have a feeling for it, and can use my intuition on some issues. It is no hindrance because—and I reemphasize this—there is no attitude here that Russians are the envoys of some foreign state. Conflicts in the Caucasus have always been and should be settled within the family. Although this does not mean that solutions have to be based solely on persuasion.

[Nikitinskiy] Even in the best of times Russia's policy here was based on maintaining a dynamic rather than static equilibrium, whereby the complex relationships between neighbors would be stabilized, among other things, by doses of tension and the conclusion of coalitions between some groups against others...

[Shakhray] Are you trying to formulate intellectually the principle of "divide and rule"? I reject that, and not only for moral reasons. The level of conflict in the region is now so high that it rules out this kind of deliberate ordering of relations.

[Nikitinskiy] I have a tape recording of what you said at the meeting with Ingushetia's intelligentsia in Nazran this morning: "Moscow's hand should not be seen in everything. Moscow currently has neither the strength, nor the means, nor sometimes the brains to indulge in machinations."

[Shakhray] Well, if you've got it recorded, you've got it recorded. I'd just ask you not to take that phrase out of context. People shouldn't blame Moscow for everything, they shouldn't make Moscow out to be the enemy. It is time to start living normally here in the Caucasus. People in the Kremlin don't sow and harvest the grain.

[Nikitinskiy] But how can people go on living after what has happened?

[Shakhray] Yes, some terrible things happened here two months ago, and their aftereffects will be felt for a long time to come. We still don't know what happened to the hundreds of hostages that the sides reported taking. The number of refugees from various ethnic groups—including Russians—is growing. Unfortunately, I cannot rule out new upsurges of violence compounded by the local traditions of bloody vengeance.

That is the situation. Nothing can or should be forgotten. But we need to start living, and without looking to Moscow all the time—that is what I am trying to convince all the Caucasian peoples of. And this is easier with ordinary people than with leaders. We should not merely look backward or think only of wounds—much less seek consolation in thoughts of revenge. We must live for the present and think of the future. If we can get people thinking in this direction it will be the best guarantee of peace.

[Nikitinskiy] Russia did not conduct itself too wisely during the first days of the conflict, not to mention the fact that it was ill-prepared for the conflict. Does it look as if Georgiy Khizha, who happened to be on the ground here, was also insufficiently expert to make the right decisions in this complex situation?

[Shakhray] I'm sorry, I can't comment on that.

[Nikitinskiy] What do you mean, we get casualties but no analysis of the situation?

[Shakhray] Analyses will be forthcoming when the time is right. Personally speaking, at the present time neither the pace nor the methods of the investigation suit me: the organs of the Prosecutor's Office, the Ministry of Internal Affairs, and the Ministry of Security are like the swan, the crab, and the pike in the fable, pulling in different directions while the cart stays put. But this does not justify my predetermining their conclusions or providing substitute conclusions.

We must ensure that those who have provoked and organized mutual carnage in the region for the sake of their own political or selfish interests are brought to trial. But my function here is different. As chairman of the State Committee for Nationalities Questions, I have been sent here by the government not to mete out punishment for crimes that have already been committed on nationalist grounds, but to attempt to prevent crimes that have not yet been committed.

[Nikitinskiy] How?

[Shakhray] At the moment we must take anticipatory action. Many methods are being used to prevent further bloodshed and the spread of the conflict further afield. These range from the diplomatic to the operational-intelligence and the military. For example, considerable resources have been expended on reconstituting the North Caucasus Military District of Russian Federation internal troops. New internal troops subunits will be formed which will probably comprise both draftees and

servicemen on contracts. In full conformity with legislation we will also enlist Cossacks, relying on their age-old traditions.

At the same time I am categorically opposed to self-armament. All military formations, including those formed on a national basis, are only possible in Russia under the Russian flag. I urge everybody, regardless of their nationality, not to arm themselves and not to engage in dangerous guerrilla warfare but to give up the weapons they have illegally seized. Russia will determine the need to establish armed formations within a legal framework, and we will continue to disarm illegal formations.

[Nikitinskiy] This is hardly possible without casualties. I am bound to relay a question that is being asked by the mothers of Russia: What are Russian soldiers dying for here?

[Shakhray] For Russia. For a peaceful life for its parents and children.

[Nikitinskiy] The soldiers standing like a living shield between the two sides feel that both sides are alien to them and are demoralized. I have heard this opinion from servicemen. Incidentally, do you consider yourself a military man?

[Shakhray] I am essentially a civilian and I stress this. As a politician I take upon myself the political responsibility for decisions made in the state of emergency zone, including military operations. The Army and the military should be protected from this side of things. Fear of responsibility and fear of casualties leads to even more bloodshed. As a politician I take as my starting point the harnessing together of trends reflecting humanism on the one hand and Russian statehood on the other. In the Caucasus, where the body of Russia is seriously wounded, its future is to a considerable extent being decided, and the viability and capability of the new Russian state system is being gauged. Yes, the treatment does not come cheap, but a miser pays twice. Unless we cure this wound, we will allow the inflammation to spread. Russia's borders will begin to shrink painfully and this will cost us far more in the long term.

[Nikitinskiy] The image of the Interim Administration headquarters session produced a double impression on me, vividly reminding me of a CPSU oblast committee session. Here they "tear strips off people" and "resolve issues," and Shakhray hands out tasks to departments and makes promises, enjoying the fact that he is Shakhray, beating money or boards or "betakam" [meaning unknown] or nails out of Moscow. I realize that a state of emergency entails elements of socialism (in the administrative sense), just as socialism always tends in the direction of a state of emergency. Here, by virtue of the circumstances, both are probably appropriate. Moreover, it might even be possible to establish a planning reservation zone in the North Caucasus to which boards and nails will flow from all over Russia, not to mention

money and human resources. But there is no less of an emergency situation in other places in our fatherland as well...

[Shakhray] Apropos of nails, I don't think we talked about them at headquarters, but there is a good ballad translated by Marshak about a military commander who lost a battle "because there was not a nail in the forge."

Regarding elements of socialism, I too am forced to agree with nagging anxiety that although this impulse comes from the local authorities and we are working with local leaders who have been legitimately elected or appointed, they are the only ones we can work with. I keep repeating to them all the time that they should not get used to living in state-of-emergency conditions. Even if this is prolonged. The Interim Administration is indeed interim in that, unlike the military garrisons, it will eventually leave, and nobody will be left to spoon-feed anybody any more. It is up to you to live here, so start living normally...

[Nikitinskiy summation] What Shakhray omits is no less significant than what he mentions. The author is entitled to note that in exchanges between trips and public speeches, each of which is structured in its own special tone, Shakhray said more than he finally agreed to set down on the record. After all, it is not only his right but also his duty as a statesman: He should keep quiet when necessary, weighing up every word he utters with extreme care.

Report on Ossetia, Ingushetia Conflict, Possible Solutions

934C07104 Moscow IZVESTIYA in Russian 14 Jan 93 Morning Edition p. 4

[Article by Sergey Aleksandrovich Modestov, candidate of military science, chief of the Main Administration for the Training of Personnel for State Service under the government of the Russian Federation (Roskadrov), Boris Borisovich Mozdukhov, economist, head specialist of Roskadrov, and Aleksandra Valerevna Rabyшева, sociologist, chief specialist of Roskadrov: "The Ossetian-Ingush Conflict: A Way Out of the Impasse"]

[Text] In November-December 1992, a group of specialists of the Main Administration for the Training of Personnel for State Service under the government of the Russian Federation (Roskadrov) worked in the staff of the Provisional Administration in the Territory of Northern Ossetia and Ingushetia. The basis for this publication was an official report prepared on the basis of the results of the work. The authors proceeded from the fact that public opinion can promote the more rapid and painless settlement of the crisis situation that has developed in the Northern Caucasus.

The impossibility of an immediate solution of the territorial question in favor of any of the conflicting sides has been predetermined by the Law of the Russian Federation "On the Establishment of a Transition Period for

State-Territorial Delimitation in the Russian Federation," which established a moratorium on the implementation of paragraph 6 of the Law of the Russian Federation "On the Rehabilitation of Repressed Peoples."

It is of fundamental importance that already not only the North Ossetian SSR, the Ingush Republic, and Russia are involved in the conflict, but in one way or another also the Chechen Republic, South Ossetia, as a matter of fact Georgia, and other republics of the Northern Caucasus, which have complex and, as a rule, reciprocal claims.

In this enumeration, Chechnya occupies a special place since the territorial question for Ingushetia consists not only of the dispute over the belonging of Prigorodnyy rayon, from which the Ingush population was deported in 1944, but also of the indeterminateness of its borders with neighbors to the east, with whom they form a single Vaynakh ethnos. In so doing, after the separate detachment from Checheno-Ingushetia, Chechnya bears a basic share of the responsibility for the fact that the problem of the formation of Ingush statehood has not been solved.

Most likely, in the situation that has developed, only the kind of variant of a solution seems acceptable within the framework of which:

- Not any of the two sides will be given a clear advantage over the other side;
- the basic vital interests of the population of Prigorodnyy rayon and the forced migrants from the Pravoberezhnaya part of Vladikavkaz will be observed;
- the evident peacemaking role of Russia will be obvious and its geopolitical positions in the Northern Caucasus will be consolidated;
- the radical solution of the national-state conflict will be postponed to a later period;
- the tension in Russian-Chechen relations will be removed, which makes the democratic variant of the solution of power in Grozny more difficult, and serves only the consolidation of the regime of D. Dudayev;
- the possibility of introducing a constructive political dialogue with Georgia also in the future will be preserved, which would make it possible for Russia to act as the guarantor of the national-cultural rights of the South Ossetian population.

It is clear that it is impossible to solve such a difficult task with straightforward actions. For this reason, the following packet of measures may be proposed:

Administrative-political measures. The lessening of tension in Prigorodny rayon, in our view, may be promoted by the revision of its status—the introduction of federal (direct presidential) rule. This action will not contradict the Law "On the Establishment of a Transition Period

for State-Territorial Delimitation in the Russian Federation," which provides for a moratorium on the changes of borders, since we are talking about something different—about the change of the form of state administration in the territory that belongs to the jurisdiction of Russia.

The regime of federal rule within the borders of only one region will not encompass either Vladikavkaz with the villages joined to it at the beginning of the 1990's, nor the places of compact and dispersed residence of Ingush in the other regions of North Ossetia. (The Ingush side defends the rights for Prigorodny rayon within the borders of 1944, including the Pravoberezhnaya part of Vladikavkaz). For this reason, it may be necessary to resettle citizens of Ingush nationality from North Ossetia, where their safety, as life has shown, cannot be guaranteed by the Russian side.

Second, not to manage without a strict control and pass system at the border of North and South Ossetia (first of all—controlling the movement of people and goods through the Rokskiy Pass.

Third, it is necessary to accelerate the formation of the organs of power of Ingushetia that has already begun. The resolution of the Congress of People's Deputies of the Russian Federation "On the Formation of the Ingush Republic in the Structure of the Russian Federation," adopted on 10 December 1992, also makes this incumbent.

Military Measures. The conflict situation requires the urgent redeployment (even if not fully) of Russian troops in the places where Ingush live (above all, in Prigorodny rayon) and along the Ingush-Ossetian frontier. The goal is the strengthening of law and order commensurate with the regime of the state of emergency. Moreover, the introduction of additional Russian troops in Prigorodny rayon would facilitate the solution of the tasks of the "disbandment of the existing illegal armed structures" (above all, the national guard of North Ossetia), which is envisaged by the decision of the Congress of People's Deputies of the Russian Federation.

In regard to formations of that sort, the Provisional Administration occupies a passive position, not preventing their independent military operations and even handing over arms and equipment.

State-Legal Measures. Among them are the development, discussion by experts, and the publication of the draft Constitution of Ingushetia. The absence of a Basic Law places the Ingush Republic in deliberately unequal conditions by comparison with all the republics within the structure of the Russian Federation. Moreover, the adoption of the Constitution is a necessary condition for the organization of the vital functions of the republic after the abolition of the state of emergency.

Participants in the preparation of the Constitution of Ingushetia could include specialists of the Constitutional Commission, the scientific research institutes of the

Russian Academy of Sciences (in particular the Institute of State and Law), the Main Administration for the Training of Personnel for State Service (Roskadrov), and the Constitutional Court of the Russian Federation (for example, from the Department for the Federation and Its Constituent Parts).

Information and Propaganda Measures. For Ingushetia and North Ossetia they are essentially different.

Evidently, it would be appropriate if the mass media that are being created in Ingushetia would inform the population about the redeployment of part of the Russian troops from the Chechen frontier to the perimeter of Prigorodnyy rayon; about the efforts of Russia to support the regime of the state border (in particular, in the region of the Rokskiy Pass); about the scale of the assistance of Russia to the Ingush Republic; about the disarming of illegal formations in the zone of the state of emergency and other such events. Of special significance would be information about the preparation of the Constitution of the Ingush Republic, the cooperation of the traditional Islamic institutions with the secular authorities, and the prospects for the signing of a Federative Agreement with Russia by the new democratic Chechnya.

In North Ossetia, the explanation of the present geopolitical, socio-economic, and demographic reality, and the new values and reference points of the nationality policy in the Northern Caucasus is most desirable. It is necessary to realize the complete hopelessness of attempts to solve nationality problems on the basis of deep historical digressions, which is a very frequent sin of the Ossetian press.

In the territory of North Ossetia there already exists a developed system of mass media organs. It is clear that the censorship being carried out by the Provisional Administration inevitably encounters resistance from this side.

However, the use of the possibilities of the state of emergency regime is the only method of subjecting the mass media to the long-term interests of Russia. Practically in the entire press of the North Ossetian SSR a tougher approach on the part of the monitoring organ is required, but the newspapers GOLOS NARODA, OTCHIZNA, and TERSKIY KAZAK require special attention. The point is that these newspapers are onesidedly oriented to the national-patriotic and communist press in the center.

The greater part of the measures enumerated above, apparently, find the most passionate support from the Ingush side. But these actions will, most likely, be perceived negatively by the Ossetian side, which is inclined to perceive in them a kind of "betrayal" on the part of Russia and an encroachment on its own rights.

Such a reaction to these or other political steps of the president of Russia or the Russian Provisional Administration inevitably results from the position of

"supreme arbiter" which Russia occupies in the conflict that has developed. The opposing sides, unfortunately, are inclined to interpret the strengthening of the positions of the opponent as the weakening of their own. But the appearance of the "balance that suits both sides" can lead only to the fact that the conflicts between North Ossetia and Ingushetia will acquire a stagnant character and will be solved by other, violent methods, without the participation of Russia as the source of supreme authority and the basic intermediary.

Most fundamental and important today, perhaps, is the clarification of the tasks confronting the Russian troops that are deployed in the territory of Ingushetia. Their peacemaking potential can be realized already before the introduction of federal rule in Prigorodnyy rayon. In so doing, the plan for the enclave settling apart of Ingush and Ossetians in the disputed territories defended by S. M. Shakhrai does not in the least contradict the idea of the introduction of federal rule in Prigorodnyy rayon, but exactly supplements it.

The consistent realization of the complex of measures named would, in our view, make more realistic the prospects for the improvement of the situation in the Northern Caucasus.

Interim N Ossetia Admin Head: Reasons for Resignation

Interim N Ossetia Head Interviewed After Resignation Request

934C06944 Moscow, NEZAVISIMAYA GAZETA
in Russian 25 Dec pp 1,3

[Interview with Russian-Army Major General Ruslan Aushev by Natalya Pachegina, place and time not given. "Russia Must Ensure the Security of Its Citizens"]

[text] *Ruslan Aushev believes that the federal leadership is provoking a conflict between Ingushetia and Chechnya.*

NEZAVISIMAYA GAZETA reported that Ruslan Aushev, a 38-year old major general in the Russian Army, who was appointed head of the interim administration of North Ossetia and Ingushetia by Sergey Shakhrai, acting head of the administration in the Ingush Republic, had tendered his resignation, citing the "impossibility of continuing to lead the republic under conditions where the interim administration and the Russian authorities are pursuing a policy of escalating tensions in the North Caucasus." The urgent summoning of Aushev to Moscow, in the personal opinion of the general, presupposed earnest discussion of the situation at the highest level.

[Pachegina] After your meeting with Russian Vice-President Rutskoy yesterday, has your assessment of Russian policy on the North Caucasus and, together with it, your decision to resign changed?

[Aushev] There was no meeting. Rutskoy was having a check-up. He requested that I call Ilyushin, the president's assistant, evidently in the belief that I should first meet with Yeltsin. But I decided not to force myself upon him. Why should I offer explanations? If he needs to he can call me himself. Nothing has changed: neither my opinion of Russian policy in the region nor my decision to resign.

[Pachegina] What will become of the Ingush republic administration? Staffers have said that they will leave in your wake?

[Aushev] That is now Russia's problem. I do not want to remain with my present authority. After all, who appointed me? Do you know what my position is called? Acting head of administration. I was appointed by Shakhrai. If Kotenkov wants to remove me today, he has the right to do so. But I remain a general. Incidentally, I am a general who has seen combat. I made my way from platoon commander to commander of a motorized infantry division.

[Pachegina] But is the present head of the interim administration not also a general?

[Aushev] He is a political worker. Incidentally, I have seen a great many things in Afghanistan where I spent almost 5 years, that he has not seen.

[Pachegina] How was it for you working there in Nazran, what with the rapid succession of administration heads?

[Aushev] I really did not have much contact with Kotenkov. When Shakhrai came to us I very much hoped that there would be action. After all, he is competent and intelligent, and after Khizha there can be no comparison. But there is no position, such a "good guy." He will be followed by someone even better. Something else is most important: the feeling that the Ingush problem has already been decided and that no individual would be able to make any change.

[Pachegina] Does this mean that the range of your possibilities is limited?

[Aushev] That is what I am saying. Two months ago I was made to feel this. When the question arose of declaring a state of emergency in Ingushetiya, I hurried to see Russian Federation Defense Minister Grachev in Moscow. I knew, as anyone in Ingushetiya knows, that when Russian forces were brought into the Prigorodnyy Rayon, they fired point blank at dwellings, that Russian soldiers shelled 14 Ingush villages! And when in his office I saw a field map indicating the Russian Army's positions at the Chechen border, I told him that we should not go beyond the Chermen "crossroads." He replied: "Why not? After all, this is Russian territory." I then reminded him of our common Afghanistan past. I knew him when he was only a major: "We went into Afghanistan with tanks and what did we accomplish?" Why should we mark a nonexistent boundary between Chechnya and Ingushetiya with Russian tanks? I

returned to Nazran. The next morning, troops moved into Ingushetiya. Grachev had simply deceived me. So much for my authority.

[Pachegina] Did you try to get through to the president? Did you appeal to Rutskoy?

[Aushev] Who did I not call? Back when Russian tanks were attacking Prigorodnyy Rayon I telephoned Yeltsin, Khasbulatov, and parliamentary committees. Not a single person, Khizha included, answered the phone. Communications with Nazran were frankly ignored. It was only possible to outplay Khizha. He did not answer the phone if the call was from Nazran. But Russian Federation deputies Yugin and Selivanov, who had witnessed the entire events, reached him from the president's telephone. He pretended that he did not know what the troops were doing.

I called Rutskoy and it seemed to me that he was prepared to fly to me. But this did not work out. He said the president would not let him go.

[Pachegina] Thus your decision to resign was by no means unexpected as the interim administration says?

[Aushev] Of course not. I warned Sergey Shakhrai that there could be no thought of doing serious work with my type of authority. I also told him that both our mandates were drying out. I also said that I was leaving and slam the door behind me. What could have come as a surprise to the administration? But the last straw was not even the fact that operations to disarm the population were conducted without the knowledge of the head of the administration of Ingushetiya. As a military man, I agree that there might be an information leak in my circle and that it is a good tactic to keep the timing of the operation a secret, but that I could be told... and here is the final fact: the weapon confiscation operation was carried out in the Chechen (!) village of Psedakh near the border with Ingushetiya. After all, I am not against such actions where they are warranted: such operations have been carried out in the Ingush villages of Kantyshevo and Surkhali. I say nothing about the methods Russian military personnel employed in entering the mountaineers' homes. Imagine for yourself, they rummage through a home and enter the women's half. This is an insult to a mountaineer... Can it be that Afghanistan taught us nothing? There are, after all, certain customs and traditions. Can everything be trampled underfoot so boorishly? And what of the search for weapons in the knapsacks of schoolchildren in Psedakh? Why all this? They want to make us clash with the Chechens, and I state this most responsibly.

[Pachegina] Ruslan, your letter of resignation discusses illegal armed formations operating in North Ossetiya. But that side says that Ingushetiya has armed units of its own.

[Aushev] This cannot be because there has not been any authority in the republic, nor is there any today. As we know, such formations are created by authorities. But

until recently, Ingushetiya had no administration. The people organized themselves. Mountaineers sold their vehicle or cow, bought a weapon, and went to defend their homeland. After all, almost every inhabitant of Ingushetiya has relatives in Prigorodnyy Rayon. Yes, weapons are sold in our republic. To begin with, where are they not sold? Second, how shall they not be sold if there is no authority in the republic? On the other hand, the head of the neighboring state—I am thinking of Oleg Teziyev (chairman of South Ossetia's Council of Ministers, NG)—goes to the site of combat operations and leads his fighters against the Russians. The Ingush, incidentally, consider themselves Russians. How should this be understood? To this day Russia has still not made a political or a legal assessment of the actions of the military or of the Ossetian leadership.

[Pachegina] Would the result be any different if Chechnya, for example, were to take the place of Russia as a conciliatory force in the conflict between Ossetians and Ingush?

[Aushev] I do not see any specific steps taken by Russia to stabilize the situation in the area. Chechnya, of course, could at least organize the negotiations. At one time I appealed to Dudayev for assistance on the hostage issue. Chechnya's authority remains high among the Caucasus peoples. But as regards political decisions, it is clear that Russia will not yield Groznyy the right to decide the Ingush people's fate.

[Pachegina] Is in your view that federal rule in Prigorodnyy Rayon offers a political solution of the problem?

[Aushev] Why, in that case do we have a state with its authority, why a president? I agree that the Ingush fell victim to provocation. But it is difficult to say who but the Ingush would have endured 18 months of a state of emergency in the rayon. Now, after the bloodshed, everything is 10 times more difficult. Therefore, let that land be under federal rule, let Russia provide for the security of its citizens. All my demands regarding hostages and refugees remain in effect.

[Pachegina] Ruslan, does not the state of emergency in the zone evoke associations with the Afghanistan past?

[Aushev] In my opinion, these memories are alive only for me, not for the Russian Army command in which there are many officers who are veterans of the Afghanistan campaign, but not for Russian Federation defense minister Grachev. This state condemned Afghanistan. But who will answer for Ingush blood shed here, who will answer why there is no condemnation?

Russian Forces Deserters Support Reasons for Aushev's Resignation

934C0694B Moscow NEZAVISIMAYA GAZETA
in Russian 26 Dec 92 p 1

[Report by Natalya Pachegina: "Russian Soldiers' Warning"]

[Text] Indirect evidence cited by Aushev, acting head of the administration of Ingushetiya, in his letter of resignation that the Russian Army command is preparing a "large-scale provocation against the fraternal Vaynakh people" appears to be taking on tangible form. As I recall, Russian Army Maj. Gen. Aushev, speaking of what he considered to be the unwarranted concentration of Russian forces on the Chechnya border and operations to disarm the population by military personnel in the Chechnya village of Psedakh (Malgobekskiy Rayon) also named the date: 27 December.

As Chechen Republic Information Minister Movladi Udugov reported, on the evening of 24 December four Russian servicemen crossed the Chechen border in the vicinity of the Sleptsovskaya Village, where Russian troops had outfitted an airfield to receive cargo and military equipment. On the same evening Warrant Officer Sergey Rozhdestvenskiy, the highest ranking among them, a native of Dimitrovgrad, Ulyanov Oblast, declared over republic television that their voluntary surrender to Chechen authorities was motivated by their "reluctance to participate in military actions against Chechnya." According to him, the Russian Army was scheduled to begin operations on the Ingush-Chechen border on 25 December. The deserter stated that the military commissariat in his home town had offered him a contract that in particular gave him a salary of 30,000 [rubles] and an apartment in Vladikavkaz. In Rozhdestvenskiy's words, there were 17 such "enthusiasts." However, the warrant officer said, following their arrival in Vladikavkaz, where according to the contract they were to perform their military service without participating in combat operations, they were redeployed at Sleptsovskaya Village. Here, the warrant officer noted (and it seemed to him that this was according to a system), they replaced 17 draftees who were taken to Vladikavkaz. The Russian servicemen told the Chechnya authorities that they will request their help in returning them to their homeland.

Chechnya Republic Information Minister Udugov told the NEZAVISIMAYA GAZETA correspondent that this was not an isolated case: in the last month, desertion of Russian soldiers stationed in tent cities without amenities of any kind has acquired mass proportions. In Udugov's words, Chechnya has already "received" several dozen Russians in this way.

The Russian deserters' announcement was followed by the official statement made by Ruslan Abdurzakov, deputy foreign affairs minister of the Chechnya Republic, reporting the concentration of more than 300 pieces of combat equipment in the vicinity of the Prokhladnoye Railroad Station (Ingushetiya) and their movement toward Chechnya. The Chechnya diplomat viewed this, including searches of Chechnya citizens in the village of Psedakh on 19 December, as a "continuation of Russia's plans to resolve the Chechnya question by forcible methods."

The national security service of the Chechnya Republic reported that Dudayev, commander-in-chief of Chechnya armed forces, who is also the president of the republic, issued the order to take a "number of steps to secure the Chechnya Republic's borders." Nationwide command-staff exercises were scheduled to begin in Chechnya on 27 December. Official invitations have already been issued to observers from Georgia, Armenia and Azerbaijan. The Russian Ministry of Defense was notified about the exercises yesterday.

Caucasus Political Leaders Profiled

934C0681A Moscow ROSSIYSKAYA GAZETA
in Russian 31 Dec 92 p 9

[Political portraits: "We Introduce Political Leaders"]

[Text] **Akhsarbek Galazov, chairman of the Supreme Soviet of the North Ossetian Soviet Socialist Republic, people's deputy of Russia and chairman of the North Ossetian SSR Defense Council.**

A teacher by profession. He taught in school and was minister of education, chairman of the Supreme Soviet of the republic (in the pre-perestroika years), rector of the North Ossetian State University (with the title of professor) and first secretary of the oblast CPSU committee.

Galazov, first secretary of the oblast CPSU committee and then chairman of the Supreme Soviet, was for some time in opposition to "Yeltsin's team." In March 1991 Vladikavkaz officially torpedoed the Russian referendum; in June 1991 it conducted a bitter campaign against Yeltsin's election as president, and in August 1991 took a sympathetic position in respect to the putschists.

Then relations between Vladikavkaz and Moscow were sorted out. Particularly with the exacerbation of the Georgian-South Ossetian conflict, Galazov did much to stabilize the situation in the Tskhinval region. He was a participant in the four-party negotiations in Dagomys. In the Ossetian-Ingush conflict he has taken a clear position in support of preservation of the integrity of the territory of the sovereign republic. This has sharply enhanced his popularity in North Ossetia.

Dzhokhar Dudayev, president of the Chechen Republic.

As an infant, he shared the fate of his parents, who in 1944 suffered from repressive measures. His childhood was spent in Kazakhstan. He studied for a short time at the Mathematics Faculty of the North Ossetian State University. But he quit and enrolled at the Tambov Flying School. He graduated from there and then from the Air Force Academy also. His Army career progressed from private to major general in command of a strategic bomber division.

He began his political activity under pressure from the National Congress of the Chechen People (OKChN)—a

national movement whose purpose was the creation of a sovereign Chechen state. This idea needed an authoritative leader. The OKChN choice fell on Dudayev. The general agreed and submitted his resignation to the Air Force.

In the fall of 1991, the OKChN broke up by force (but without the use of weapons) the legitimate authorities of the Chechen-Ingush ASSR and held elections for parliament and president of the Chechen Republic. In November 1991 Yeltsin issued a decree on the imposition of a state of emergency in Grozny. But the parliament of Russia overrode the decree.

The Chechen Republic has not been recognized by the Russian Federation. But the general remains true to the idea of national self-determination. Dudayev's name has been heard particularly loudly of late in connection with the commitment of Russian forces in the area of the state of emergency.

His numerous sharply-worded and even insulting remarks, leveled at the Russian leadership, are well known. But Dudayev has softened his position recently and is attempting to establish a dialogue with Moscow.

Valeriy Kokov, president of the Kabardino-Balkar Republic and people's deputy of the Russian Federation.

Has higher agricultural education. His entire working life has been associated with the Kabardino-Balkar Republic: kolkhoz specialist, chairman, leader of a rayon Selkhoztekhnika, first secretary of a rayon CPSU committee, secretary of an oblast CPSU committee, first secretary of an oblast CPSU committee, chairman of the Supreme Soviet of the Kabardino-Balkar Republic and, finally, president. He was elected in December 1991 on a multiple-choice basis.

Basic propositions of the election program: The Kabardino-Balkar Republic will remain part of Russia; it would sign the Federal Treaty, and support Yeltsin's economic reform, but with regard for the republic's specifics—Kokov, like many others in the region, is opposed to the purchase and sale of land. This, in his opinion, would exacerbate interethnic relations even more acutely. The president consistently champions the unity of the Kabardino-Balkar Republic itself.

The president's administration is opposed by a relatively strong and organized opposition, in the shape of the leaders of the national movements of the Kabarda and Balkar peoples. They are sharply criticizing Kokov's "pro-Moscow" orientation and his resistance to the idea of the division of the Kabardino-Balkar Republic into Kabarda and Balkar republics. The peak moment of this confrontation were the well-known anxious fall days in Nalchik, when blood was spilled, but, thank God, a fratricidal war did not begin. At the decisive hour for the fate of the two peoples, forbearance and wisdom were displayed by the leaders of the national movements and Valeriy Kokov, the first president of the sovereign Kabardino-Balkar Republic.

Musa (Yuriy) Shanibov, president of the Confederation of Mountain Peoples of the Caucasus.

A social scientist and senior lecturer at the Kabardino-Balkar University. In the past, a Komsomol and party official.

Shanibov's star as a politician ascended after it occurred to him to unite the national movements of the North Caucasus. At his prompting the Assembly of Mountain Peoples of the Caucasus (AGNK) was born in the fall of 1989 in Sukhumi. Over the next two years, meetings thereof were held in Nalchik, Vladikavkaz, Groznyy, and Makhachkala. In November 1991, in that same Sukhumi, the AGNK acquired a new quality, becoming the Confederation of Mountain Peoples of the Caucasus (KGNK). A Council of Presidents, headed by Shanibov (a president of the KGNK and 16 vice presidents—per the number of peoples united in the movement), a parliament, and an arbitral tribunal were elected.

Shanibov and the other confederates participated in the stabilization of the situation in the Tskhinval region. Armed detachments of the KGNK are taking part on the side of the Abkhaz in their conflict with the Georgians. The Georgian-Abkhaz war has been the peak of Shanibov's fame also—after he was arrested by the Russian procuracy.

Chechen Official on Russian Anti-Chechnya Propaganda

934C0701C Moscow NEZAVISIMAYA GAZETA
in Russian 5 Jan 93 p 2

[NEGA Article: "Special Services Are Gathering Compromising Materials"]

[Text] Said Khasan Abumuslimov, member of the Committee for Foreign Affairs of the Chechnya parliament, citing sources close to Russian government circles, stated that a propaganda war is being prepared against Chechnya. In a speech on January 3rd at a joint meeting of the Chechnya Republic Cabinet of Ministers and the parliament of the republic, Abumuslimov announced that it has become known to him that Russian special services have been given the task of gathering compromising materials about the republic's leaders. The member of parliament noted that in its propaganda war against the Chechnya Republic, Russian special services are confronting the Chechnya Mafia clans and promising them positions and jobs in the future government of the republic.

Cossacks Seek UN Representation

934C0725A Moscow KOMMERSANT DAILY
in Russian No 43, 31 Dec 92 p 9

[No title in Russian]

[Text] The Don Cossacks want to open their own mission to the UN. So stated Vasily Kaledin, ataman of this

oblast's Cossack League of the Army of the Don. He also announced that the need to create an international organization has been determined by the Cossacks' aspiration to proclaim themselves as an ethnic nation. In the ataman's opinion, this presupposes the opening of a representative Cossack mission to the UN, where "all the peoples small in number, including the Gypsies," are already represented."

'Cossack Alliance' Ataman on Land Ownership

934C0686A SELSKAYA ZHIZN in Russian 31 Dec 92
p 2

[Interview with Aleksandr Martynov, Ataman of the Cossack Alliance, by Yevgeniy Proshin; place and date not given: "After the Cock Crows, Dawn Must Come"]

[Text] [Proshin] The past year has been difficult, in a word—a leap year. How has it been for the Cossacks, Aleksandr Gavrilovich?

[Martynov] For the Cossack Alliance, the year worked out appropriately—in the sense that Cossacks were recognized as such on the state level, and there was also recognition of the need to rehabilitate this up until now exterminated and repressed community of mainly Russian people. I would stress the lack of completeness of this process, because with the emergence of the so-called CIS, lands Cossack from time immemorial have been scattered throughout countries which came from out of the blue.

But Cossacks consider themselves inseparable from the destiny of Russia. Our people share all of Russia's misfortunes and difficulties.

[Proshin] You were invited recently to the Security Council. Is this connected in some way to the Cossacks?

[Martynov] Yes, there was discussion about drawing up an edict on Cossack state service. We would hope that if the leadership of the country is interested in appropriate might for the Armed Forces, then it should sign this. But we would really like, at least during the Year of the Rooster, in documents adopted by the government and by us—to avoid hearing the cock crow, and then no dawn. Everything which is said must be substantiated through deeds. So that people finally begin to understand: The state exists. And it is for them that it exists. As far as the Cossacks are concerned, we are counting on obtaining our Cossack lands and improving ataman rule, and we believe the state authorities will understand that there is a people here prepared to serve the Motherland.

[Proshin] You know, as of the new year, most of our subscribers turn out to be located in places with a dense Cossack population. What would you like to wish them?

[Martynov] Well, I too look upon SELSKAYA ZHIZN with respect. I am from the stanitsa [Cossack village]. I grew up there and lived there until the age of 30. I know and love working on the land. The newspaper has taken

up a correct position. It is not following the fashion of the times, especially in that it is not pushing for the destruction of functioning structures of the kolkhoz and sovkhoz variety. It will be a long time still before things work out for the independent peasant. But people have to eat every day. And I respect the fact that SELSKAYA ZHIZN does not dart from side to side. No doubt my fellow comrades respect it for this as well. To all of them I convey my greetings and best wishes for good health and prosperity. To the editorial collective—I wish you the energy and ability to get funds so as to maintain this newspaper, so necessary to the village. Happy New Year!

Ussuri Cossacks' Status Legalized

934C0701D Moscow NEZAVISIMAYA GAZETA
in Russian 5 Jan 93 p 6

[Article signed "Postfaktum": "Cossacks Want Harmony"]

[Text] The Ussuri Cossack Force has been given the status of legal person. The decree on this was signed on New Year's eve by the main administration of Khabarovsk Kray. Charter regulations include the reestablishment of the Cossack clan on their "traditional lands," as well as "traditional rights and privileges, and trades and businesses," and creation of "Cossack military formations." The charter of the Ussuri Cossack Force also defines the future task of the organization, which is to ensure "on Cossack territories a prosperous and worthy life...in harmony with nature." The right to be listed as a Cossack is held by descendents of Cossacks, as well as by persons "who by virtue of their interests and day-to-day activities are connected to the Cossack world."

Law on Amendments on Transformation of Karachayevo-Cherkess to SSR

934C0701A Moscow ROSSIYSKAYA GAZETA
in Russian 10 Jan 93 p 1

[Law, signed by B. Yeltsin, President, Russian Federation, Moscow, House of Russian Soviets, December 25, 1992, No. 4234-1: "Law of the Russian Federation On Adding Amendments in Article 2 of the RSFSR Law On Changing the Karachayevo-Cherkess Autonomous Oblast to the Karachayevo-Cherkess Soviet Socialist Republic Within the Structure of the RSFSR"]

[Text] In accordance with an appeal from the Soviet of People's Deputies of the Karachayevo-Cherkess SSR on adding amendments to the Law of the RSFSR "On Changing the Karachayevo-Cherkess Autonomous Oblast to the Karachayevo-Cherkess Soviet Socialist Republic Within the Structure of the RSFSR," the Supreme Soviet of the Russian Federation hereby resolves that:

1. Article 2 of the Law will read as follows:

"Article 2. During the term of office of the 21st Convocation of the Soviet of People's Deputies of the Karachayevo-Cherkess Autonomous Oblast, in accordance with the Constitution of the Russian Federation, it is hereby granted the rights of a Supreme Soviet of the republic within the structure of the Russian Federation."

2. This Law will become effective as of the date of its publication.

Tatarstan To Aid Families With Numerous Children

934C0701B Moscow ROSSIYSKAYA GAZETA
in Russian 9 Jan 93 p 3

[Unsigned article: "The Tatarstan Cabinet of Ministers Has Approved a Decree on Additional Measures for Social Support of Families With Many Children"]

[Text] They will be reimbursed from 30 to 50 percent of their housing costs, guaranteed free medicine, and free transportation on municipal systems.

As of January 1, 1993, monthly compensation for mothers with three or more children under the ages of 16 years will be increased to the minimum wage level.

Results of International Seminar on Local Self-Government Reported

934C0725B Moscow ROSSIYSKAYA GAZETA
in Russian 12 Jan 93 p 2

[Report by Vagif Kochetkov: "Power in One Pair of Hands"]

[Text] An international seminar has been held in Kaluga. It was organized by the Association of Oblasts and Cities of Russia's Central Region in conjunction with the international organization known as the "Council of Europe." The principal problem which was discussed at this seminar was the development of local self-government in Russia.

Taking part in the discussion was Lev Maksimov, commission chairman of the Tula City Soviet. His comments for ROSSIYSKAYA GAZETA on the results of the seminar are printed below.

The Russian Federation's Law "On Local Self-Government" has failed to solve a whole series of problems. The principal inconvenience is the existing system of two "mayors"—the chairman of the City Council and the administrative head. Moreover, the Law does not accord either one of them the role of the highest official.

In order to achieve more effective work by the local administrative organs, we must transfer to the local level all matters that can be handled by them without the state's interference.

Just what, let's say, would provide more expanded self-government for our city of Tula? Let me illustrate this using the example of drawing up the budget.

In the present-day situation this city does not have secure sources of revenue.

Such a system makes it impossible for the city to develop in accordance with long-term programs and compels it to live from one day to the next. But in the event that the central authorities proceed to decentralization, Tula—like other Russian cities—would have stable sources for making up its budget. This would enable the municipal authorities to more successfully solve the numerous problems of everyday urban life.

Refugees Stream Into Krasnodar Kray

934C0685A Moscow ROSSIYSKAYA GAZETA
in Russian 31 Dec 92 p 9

[Unattributed article: "One Paragraph"]

[Text] Evacuated persons and refugees from the area of the Abkhazian-Georgian conflict continue to arrive in Krasnodar Kray. A total of 60,421 people have arrived since the events began.

'Russian White Movement' Denied Official Recognition

934C0685B Moscow ROSSIYSKIYE VESTI in Russian
30 Dec 92 p 1

[Unattributed, untitled news item]

[Text] Omsk—The Russian White Movement that was recently founded in Omsk has failed to obtain official recognition from the Russian Federation Ministry of Justice.

Jewish Autonomous Oblast Explores Possibility of Secession

934C0685C Moscow NEZAVISIMAYA GAZETA
in Russian 10 Dec 92 p 8

[Article by Vadim Nayman: "Don't Swear at Them—They'll Secede!"]

[Text] The Jewish Autonomous Oblast (or republic, if you prefer) could now secede from not only Khabarovsk Kray but also Russia

This possibility is envisioned in a "Law on the Jewish Autonomous Oblast" drafted by local craftsmen. In addition to the possibility of seceding from Russia, the law provides for the oblast's own (republic) anthem, emblem, and two languages—a state language and a national language.

Everyone knows what the state language is (Russian). But know one is quite sure just what the national language is. And it is utterly incomprehensible just why

Yiddish was chosen as the national language—a language spoken by almost no one today not only in the oblast, but also in the world.

Fortunately, the law will take effect only after confirmation by the Russian Federation Supreme Soviet—as soon as it finds a "vacancy" on its agenda. And, of course, a desire to approve the law.

Yakutiya Establishes Citizenship Requirements

934C0685D Moscow NEZAVISIMAYA GAZETA
in Russian 9 Dec 92 p 2

[Unattributed article: "Yakutiya 'Expands' Its Sovereignty"]

[Text] A draft law "On Republic of Sakha (Yakutiya) Citizenship" has been presented to Yakutiya residents for public discussion. The document states that a person who was born on the territory of the Republic of Sakha or who is a permanent resident of it can be a citizen of the republic. To obtain citizenship, a person must have resided in the republic for at least 10 years. A citizen of Yakutiya is also a citizen of Russia.

Sup Sov Decree Upgrades Northern Regions' Development Programs

934C0685E Moscow ROSSIYSKAYA GAZETA
in Russian 6 Jan 93 p 5

[Decree of the Russian Federation Supreme Soviet on Including the State Program for the Economic and Cultural Development of Minority Northern Peoples in 1991-1995 on the List of Federal Special-Purpose Programs, adopted 25 December 1992]

[Text] Attaching special importance to the economic and cultural development of minority northern peoples, and in implementation of the decree of the Sixth Congress of Russian Federation People's Deputies "On the Socioeconomic Situation of Northern Areas and Equivalent Localities," the Russian Federation Supreme Soviet decrees:

1. To include on the list of federal special-purpose programs the State Program for the Economic and Cultural Development of Minority Northern Peoples in 1991-1995, confirmed by decree of the RSFSR Council of Ministers of March 11, 1991, No. 145.

2. Based on a representation from the Russian Federation Government, to confirm as initiator of orders under the State Program for the Economic and Cultural Development of Minority Northern Peoples in 1991-1995 the Russian Federation Committee for the Socioeconomic Development of the North and to direct it to make annual adjustments in the aforementioned program, in conjunction with Russian Federation ministries and departments, with government and administrative bodies of the republics within the Russian Federation and of the autonomous oblast, the autonomous okrugs

and krays, and the oblasts, and with associations of minority Northern peoples, within the limits of earmarked appropriations.

3. To charge the Russian Federation Supreme Soviet Council of Nationalities Commission on the Social and Economic Development of the Republics Within the Russian Federation, the Autonomous Oblast, the Autonomous Okrugs, and Minority Peoples with monitoring the implementation of this decree.

[Signed] R.I. Khasbulatov, chairman of the Russian Federation Supreme Soviet
Moscow, Russian House of Soviets
25 December 1992
No. 4240-1

Conflicts between Chelyabinsk Oblast Admin Heads, Residents

934C06844 Moscow SOVETSKAYA ROSSIYA
in Russian 8 Dec 92 p 2

[Article by Ella Fedorova, SOVETSKAYA ROSSIYA special correspondent: "But You Are Beating Them With Sticks"]

[Text] Each time that I visit these krays, I pronounce the names of the villages and settlements in these parts, Cossack villages in the past, with special feeling. Beautiful and sonorous, the names are associated with Russian victories, and with the historical glory of Russian weapons. But now times have arrived when the local villagers, engaged in the most peaceful labor—feeding the industrial Urals—have once again started to talk in a military tongue. And they have not only started to talk....

This article will discuss two remote rayons of Chelyabinsk Oblast—the Cheshmenskiy and Agapovskiy rayons. About who is at the helm of reforms there, how the new appointees are "steering," and how the village in its turn is responding to the sudden turns of the helm.

Nikolay Chigir, a member of the commission of the Cheshmenskiy Rayon Soviet, examined the legality of the allocation and use of land in the rayon. Chigir is a little over 30 years of age, and he is energetic and obstinate. He lives in the village of Tarutino, he heads the association of peasant farms, and he himself gets directly involved in these matters, so he knows land problems not just as a bystander. The commission did not spend time to no purpose—it exposed quite a few violations of land legislation. The soviet made a decision based on the commission report. Everything was stirred up because of it. A Rokitskiy did not like the decision and the publicity on the operations with land at all. He is the head, more precisely the acting head, of the rayon administration. Now, it is clear to everyone that land is not only a bread-winner and capital, but it is also policy, major and minor. At one of the conferences, Rokitskiy declared outright to Chigir: If you get into policy, you will end up without a head. But Chigir proved not to be one of the timid ones.

Summer rolled on, the crops ripened in the fields, and, simultaneously, quite a large shady deal came to a head at the Cheshmenskiy grain-receiving enterprise. Everything was moving along smoothly and promised the authors of the operation a solid profit, but at a crucial moment, deputies appeared at the grain-receiving enterprise. Rokitskiy was also among the figures whom the inspectors implicated! But the reader has already certainly guessed that Nikolay Chigir was participating in the commission.

That very evening, Chigir's wife, Nadezhda, was working outside: She fed the cattle alone; her husband had gone to Chelyabinsk, and she did not expect him early. Darkness quickly enveloped the autumn dusk. The wife sat the children down for supper—three young boys—and then the house shook suddenly with loud bangs. The door and the walls were being hit with shoes and sticks. The uninvited guests left just as suddenly as they had arrived, after leaving a letter on the doorstep. Chigir was warned in the letter that his young wife could easily become a widow, and the children—orphans....

And some time ago, another woman—Olga Litvinenko, the wife of the deputy chairman of the rayon soviet—also in the stillness and darkness of the village, did not know where to turn to and what to do. She was not visited, but called up on the telephone. And not by some unknown robber band. Rokitskiy himself was speaking into the telephone: He said that there are fellows who are not pleased with the behavior of her husband, Gennadiy Litvinenko. If he does not draw the right conclusions, he will get a grenade in the window....

These are the kinds of things that transpired this summer and autumn in the old Urals village and its vicinity. These are the relations that have developed between the authorities and the citizens of the rayon. You do not even know how to react to something like this. Are these new democratic methods of administration, civilized approaches? It seems inconceivable that the chief authority in the rayon would conduct himself in this way. Is he not being slandered? But no, there is other evidence besides that of the victims. In answer to the unpredictable actions of the Cheshmenskiy chief, the villagers also began to resort to methods of self-defense that are not traditional for these parts. For example, they resorted to tape recorder equipment. As a result, Rokitskiy's repeated telephone threats have ended up on magnetic tape.

Aleksandr Rokitskiy is only the acting chief of administration. The Cheshmenskiy Soviet of People's Deputies did not concur in his candidacy, which was proposed to the rayon from above. A large delegation of villagers went to Chelyabinsk. Although not at first, it did get an audience with Solovyev himself—the head of the oblast. It gave reasons there for its protest. However, the arguments of the oblast chief outweighed their reasons. Rokitskiy, allegedly more than the other candidates, possessed the commercial abilities that are now necessary, and he worked in a small enterprise. He actually did

work, and the people heard about his acumen. But what worried the Chesma residents was how the possessor of commercial talents is inclined to use them. After all, also found among today's businessmen are the kind who will clothe themselves and strip others....

In the first days of October, a motor vehicle column of seven brand new Ural vehicles, hot off the plant assembly line, rumbled and raised dust on the approaches to the rayon center. This valuable purchase, which is necessary to farming, was made by S. Yerakhtin, an unassuming resident of Chesma. When his fellow villagers got interested in some of the details of Yerakhtin's new acquisition, they found out that he had gotten money from the credit resources of the grain reception enterprise for grain he had sold. The peasant gives the state grain, and the state gives him new equipment. A good deal, if this is so. But this was not the case at all. Yerakhtin did not and will not sell any grain to the state. He does not have a farm of the size with which to pay for seven powerful beauties at a cost of one million each. I beg your pardon for the slip: It is already not a million, that is what the vehicles cost on the day of purchase, just before the increase in prices. But Yerakhtin returned riding on two million, accordingly multiplied by seven. This, in fact, is what made the operation desirable and attractive.

It is clear without words, even in our times, which are free from laws and rules, that seven million will not be paid out and seven trucks will not be sold simply to anyone who has the desire. A paper signed by Rokitskiy was sent to the Miass automobile plant. But what kind of a bird is this Yerakhtin, who has a green light to everywhere? I answer: Sergey Yerakhtin is a farmer, the head of a peasant farm with an allotment of 140 hectares of the best land in the rayon, which, incidentally, is being cultivated with the help of kolkhoz machine operators. What is more: He has more than one job—he also works in the rayon administration. He is a relative of Rokitskiy and his personal chauffeur....

The appropriate organs are now working on the details of the motor vehicle deal. There are rumors and talk about this story among the people, and, of course, this does not add to the trust in either the rayon head or the democratic authorities as a whole.

It must be emphasized that Chesma was not sitting idly by all of this time. It persistently informed the oblast chiefs of their protege. Indeed, it was endless! Solov'yev had his own opinion of Rokitskiy: He is honorable, trustworthy, and in the front ranks. Reform under him is moving quickly. In all of the kolkhozes and sovkhoses, there are already new signs: There are joint-stock companies and associations everywhere. The ranks of the farmers are multiplying. We talked about one of the them, and the list can be extended. Only what is the sense—it is unlikely that such double-dipping farmer-officeholders as Yerakhtin will feed Russia.

Our NEXT story is from the Agapovskiy Rayon. The situation there also has a keen plot. Dual authority ended only recently. Two directors held the same job, each receiving his own salary. The people interpreted the situation in different ways; some were indignant, and others threw up their hands. Perhaps that is the way it is supposed to be, in accordance with the new Russian symbolism—the eagle has two heads, and the rayon also has two heads?!

But the beginning was like this. On a bleak autumn day, a pair of foreign-made cars stopped in front of the building of the Agapovskiy administration. Two oblast-level managers got out of the car: V. Lazarenko, deputy chief of the oblast administration, and Zh. Altynbayev, head of the department of agriculture. In the building of the former rayon executive committee, managers of farms, who had already gotten out of the habit of being scolded and dressed down, were in torment. The visitors entered, and they looked blacker and gloomier than the dark clouds that enveloped the stormy sky above Agapovka. And a thunderstorm broke out. It appeared that the Agapovka residents on that day were a very backward lot. In addition to reports, the visitors had certain personal observations. One had ridden though the rayon just before this, and another had flown in. And they had come to the conclusion: The crop harvesting was going poorly. Very poorly! The words pronounced by the vice governor were—you struck out. Once and for all, the Agapovka residents will not have Dmitriy Afanasyev as their rayon head. Remove Afanasyev and assign a new one who was brought in from Chelyabinsk. Let him show the negligent local villagers how to manage a field and a farm. After V. Lazarenko and Zh. Altynbayev, the chief of the department got up, and figures of a rank lower were mentioned: Whom to discharge, whom to give a severe reprimand.

But what about the residents of Agapovskiy Rayon? And really and truly, did they sit in the hall like some ignoramuses and blunderers? No, of course not. The people had something to say, and they had their own well-founded position, but the oblast chiefs did not allow for an exchange of opinions. The method was simple: They referred to the oblast procurator. They said that the procurator has a suspicion as to whether or not this were organized sabotage. If so, then....

When those who were assembled heard that Kotelnikov, the director of the sovkhos Iskra, had been removed from his job, the confused and dumbfounded audience, nevertheless, raised its voice. It gasped: Is this not the Ivan Kotelnikov who is knocked out of the saddle, the chairman of the soviet of directors, one of the best agrarians not only in the rayon, but in the oblast?

Ivan Ivanovich Kotelnikov talked to me about the caprices of the current year. In September, high-quality ears of grain were still standing green. So the farmers dragged out and tried to guess every day in autumn. And in the meantime, the grain really ripened. It is not without reason that the total harvest in Agapovka, given

an average oblast figure of 19.6 quintals per hectare, is higher by four quintals. And in Kotelnikov's Iskra, the figure is 37 quintals. How do you like that? This is from the chief "saboteur" who was removed from the job. Later, of course, when they came to their senses, he was retained....

Meanwhile, a new boss, N. Rudy, came to the main administrative office of Agapovka. It is true that there had been no clarity with the former chief for a long time. The sudden replacement of the unsuitable Afanasyev entailed numerous judicial discrepancies.

But the new chief is in charge. He organized night shifts during the harvest. Now, the managers of various rayon services have been rushed to the dairy farms. Rudy's special messengers are officially called the "staff for raising the milk yield," but in the villages they are called in the old way—good-for-nothing representatives.

I do not know whether cattle breeding in Agapovka will be livened up with the assistance of the representatives. On the whole in the oblast, it continues to go downhill catastrophically. A session of the oblast soviet of people's deputies held recently in Chelyabinsk heard a report from V. Solovyev, the head of administration. There was optimistic talk at the session concerning the energetic progress of the reform in the village and the unprecedented harvest. L. Kolmakov, the deputy chairman of the agrarian commission of the oblast soviet and a docent of the Chelyabinsk agro-engineering university, cautioned against the enthusiasm and euphoria of the fellow villagers. He turned to other and no less important and indicative figures. The resource potential of the village is being catastrophically ruined. Despite the large grain harvest acquired, the finances and the economy of Chelyabinsk farms are in decline. With each month, the cattle population is reduced; in a year it was reduced by a third—moreover, in all branches of cattle breeding. Stockbreeding cattle are going under the knife. And livestock productivity is falling.

Well, at the same time, what is the policy of the agriculture department, which was abruptly renewed and headed by Zh. Altynbayev, also a new person from the team of the head of the oblast administration? The policy is simple and unilinear—implement reform in time. What does this mean? By the new year (there was even a demand for this by December) to report: So many private farms, associations, and joint-stock companies were established, and so many kolkhozes and sovkhoses were privatized. And the village is dutifully rendering accounts and reporting. On paper, naturally.

V. Lazarenko, the deputy head, commenting on the affairs in Agapovka, said: "The circumstances were tough, and the Agapovka residents had to be placed in a stressful situation. And we did this." However, how events are echoed in turn at the top and below! The state authorities stubbornly insist on extraordinary powers for themselves. The oblast authorities also want and are

implementing "extraordinary measures." Citing the special period and the situation, they are acting arbitrarily, and they are distressing the people. It is all the same, but perhaps the vocabulary is a little different. Now, after all, in oblast administrations, including the Chelyabinsk administration, all of the people are knowledgeable, with degrees, titles, and...manners that are so familiar—simultaneously, they hold several positions, several salaries, and several apartments. And the rayon ranks imitate the oblast ranks. Are they any worse? Why infringe on their freedom of action, including on Rokitskiy's?

The example at the top has always found and still finds imitators and followers. A year ago the president appointed V. Solovyev to be head of the oblast administration, contrary to the wishes of the Chelyabinsk residents and against the will of the oblast soviet. And how did Solovyev operate subsequently? Exactly in the same way—right and left, not looking into the objections from the localities, he appointed and is appointing his own proteges. But the people no longer want to listen and subordinate themselves to appointees. They do not need imported helmsmen. The people want to steer the reforms by themselves.

Sakha Republic President on Interrepublic, Center Relations

934C0673A Moscow NEZAVISIMAYA GAZETA
in Russian 30 Dec 92 p 3

Interview with Mikhail Nikolayev, by Radik Batyrshin: "Yakutis Is Russia's Future: Mikhail Nikolayev, President of the Sakha Republic, Demands Attention"

[Text; [R. Batyrshin] During the Russian delegation's visit to China, you sat at Boris Yeltsin's right hand...

[M. Nikolayev] Where to sit whom is a matter of protocol. I myself have absolutely no idea of why I found myself there (Laughter).

[R. Batyrshin] The adoption by the Sakha Republic parliament of laws governing citizenship and mineral resources have been interpreted by some people as indicating that Yakutiya is proceeding along the path of Tatarstan..

[M. Nikolayev] As the president, I cannot allow Russia's interests to be infringed upon. So we are currently studying the conformity between that law in our republic's Constitution and the Constitution of the Russian Federation. As for the law governing mineral resources, it largely coincides with the Russian one.

[R. Batyrshin] Half a year ago, in an interview with NEZAVISIMAYA GAZETA, you said that the people in Moscow did not even want to hear you out..

[M. Nikolayev] Currently the situation has changed fundamentally. We have signed a whole package of agreements with Russia: agreements concerning the

demarcation of property, and concerning the tax system. Today we do not have any claims against Russia.

[R. Batyrshin] But don't problems in the interrelationships with the center continue to exist?

[M. Nikolayev] I have frequently said that it is necessary to adjust the strategy of introducing market relations in the Far North. Secondly, it is necessary to improve the credit system. Yakutia is a credit-intensive republic. In order to supply the isolated rayons, it is necessary to accumulate commodities for eight months in order to be able to deliver them during the one and a half months of the Arctic navigation season. For that purpose, this year the republic received credit in the amount of 100 billion rubles. But the credit turnaround rate is very slow, while the interest rates, practically speaking, are the same as they are in the other regions of Russia.

[R. Batyrshin] What is your attitude toward the idea of a union of the former Russian autonomies?

[M. Nikolayev] When the supply system has collapsed, it is necessary to seek ways to get out of the situation that has been created. The establishment of horizontal ties among the krais, oblasts, and republics is one of those ways. For example, we get a large amount of petroleum products from Bashkortostan and Tatarstan. Why shouldn't we, through long-term agreements, stabilize those shipments? Because no one considers the existence of an Eurasian industrial union to be a threat to Russian integrity.

[R. Batyrshin] What is your evaluation of the role played by the Council of the Heads of Republics?

[M. Nikolayev] I was one of the initiators of the creation of the Council. It is practically the only agency that is attempting to develop a mechanism for implementing the Federal Treaty. In the course of the 7th Congress of the People's Deputies of the RF [Russian Federation], the Council helped to find a way out of the blind alley that had been created. I see one of the Council's main tasks in preventing crisis situations that can arise in Russia.

[R. Batyrshin] At the present time, the draft of the treaty between Tatarstan and the Sakha Republic is being prepared. Can one speak of special relations between Yakutsk and Kazan?

[M. Nikolayev] I scarcely think that there will be any special relations other than economic ones.

[R. Batyrshin] What do you expect from next year?

[M. Nikolayev] Yakutia is Russia's future. The welfare of the Russian Federation in the future will be determined largely by the economy of the Sakha Republic. Therefore it is necessary today to invest funds, to protect the people who are living under very difficult conditions. I am profoundly convinced that it is not only gold and diamonds, but also the petroleum, gas, coal, and rare-earth metals that are extracted in Yakutia that will be able to

raise the economy not only of our republic, but also of Russia. And, through your esteemed newspaper, which takes an exceptionally objective attitude toward the processes that are occurring in Yakutia, to assert that we are not threatening anyone with our fist, we are not dictating our conditions to anyone, but we need the center's attention to our problems. I wish the staff and readers of NEVASIMAYA GAZETA a happy new year.

Low Voter Turnout in Tver

934C0725C Moscow PR41 DA in Russian 9 Jan 93 p 2

[Report by Feliks Bebel'yubskiy: "No Voters Left in Kimry"]

[Text] On New Year's Eve they tried to hold an election for a deputy to the Tver Oblast Soviet. However, the election campaign was a failure. Only 30.1 percent of the voters showed up at the ballot boxes.

Kemerovo Oblast Draft Charter on Right to Political Strike

934C07244 Moscow IZVESTIYA in Russian 15 Jan 93 p 2

[Interview with Yuriy Yevtukhin, candidate of economic sciences, docent at the Kemerovo State University by Viktor Kostyukhovskiy, Kemerovo; date not given: "Kuznetsk Basin Defends Its Right To Engage in Political Strikes"]

[Text] The Consultative Council of the Kuznetsk Basin's political parties and public movements has examined and considered the draft oblast charter, as prepared by a group of specialists headed up by Yuriy Yevtukhin, a political scientist, candidate of juridical sciences, and docent at the Kemerovo State University.

To our way of thinking, a document has been worked out in the Kuznetsk Basin which deserves the closest possible attention by soviets of people's deputies at various levels, Russia's Supreme Soviet, the Constitutional Commission, and scholars. While it does not echo the Constitution and other existing laws in this country, it does not contradict them either. At the same time, however, this document does—so to speak—look to the future: it was drawn up taking the development of society into account.

At present, because the tracks are still so fresh, it is scarcely possible to analyze the entire document closely and thoroughly. I would like to dwell merely on certain fundamental factors and innovations. In the general provisions and the economic section several articles reflect the circumstance that Kemerovo Oblast has the status of a free economic zone. Particular attention is drawn to the section entitled "Political and Ethnic Relations: Self-Government in the Kuznetsk Basin." It contains, in particular, a chapter on political strikes. My questions to Yuriy Yevtukhin were as follows:

[Kostyukhovskiy] This concept is absent in the laws of the Russian Federation. What made it necessary to define and specify political strikes in the charter of the Kuznetsk Basin?

[Yevtyukhin] Indeed, not only the laws of our country, but also the laws of other countries, fail to define political strikes as such; they only mention the forms of labor conflicts. But it is specifically our oblast's experience which indicates that we can no longer brush this form aside. And the first miners' strike of 1989 already soon grew from a labor conflict into a political one. And what can one say about the strike which occurred in the spring of 1991? It did not contain any demands of an economic nature at all. The simplest thing to do would be to proclaim that political demands are not in conformity with principle. But—in that case—the political freedoms of citizens would be substantially restricted. Our draft establishes that the right to engage in this form of protest shall be possessed by work collectives having all forms of property ownership, as well as by collectives of students and pupils. Grounds justifying such an action could include the following: interdicting or curtailing the full powers of Russia's state organs, illegally changing the forms of the state structure, the forms of rule or the political regime, as well as attempts to carry out the above-mentioned anticonstitutional actions. Furthermore, ignoring the results of an All-Russian referendum by the federal organs of power and administration could also serve as grounds for a political strike.

[Kostyukhovskiy] Who shall have the right to issue a call for a political strike?

[Yevtyukhin] According to the draft charter—any organ of power or self-government, sociopolitical movements and parties, public organizations which are registered in accordance with the established procedure, as well as work collectives and collectives of students or pupils, and—finally—citizens having the right to vote. The procedure for conducting such a strike should be defined by a special statute providing for it; such a statute must be adopted by the oblast-level Soviet of People's Deputies. The chapter also has an article defining the legitimacy of political strikes.

As noted at the session of the Consultative Council, the carefully worked-out section of the draft dealing with the oblast-level organs of representative, executive, and judicial power aims at ensuring the stabilization of the political and social situation in this oblast. It creates a reliable foundation for interaction and cooperation among the various authorities, and it eliminates many of the causes leading to confrontation. At the same time, it ensures genuine parity among the forms of power. For example, not only can the oblast-level Soviet express a lack of confidence in the administrative head, but the head—in turn—shall have the right in such a case to put the question of dissolving the Soviet to a vote. He may also demand that a referendum be held on ahead-of-schedule elections to the Soviet.

After declaring that the draft charter strengthens and develops such democratic principles as political pluralism, separation of powers, direct people's power, and freedom of ethnic development, the Consultative Council approved it and sent a message to the oblast-level Soviet proposing that this draft be examined and considered at the Soviet's next session. The stance adopted by the representatives of the Russian Communist Workers Party turned out to be quite unique and special. They abstained from the discussion and declared that the oblast charter should not be discussed and adopted until Russia's new Constitution has been adopted. This position is—to put it bluntly—insincere and two-faced: It is no secret to anyone that it is specifically these people who have set as their task organizing a boycott of the All-Russian referendum on the basic provisions of the Constitution.

Moscow's 1993 Socioeconomic Development, Draft Budget Discussed

934C07074 Moscow NEZAVISIMAYA GAZETA
in Russian 31 Dec 92 p 2

[Article by Vladimir Gurvich: "The Capital Wants to Live Beyond Its Means: The Government Tries to Make Both Ends Meet in the 1993 Budget"]

[Text] Moscow

At its last session of 1992, the government submitted two questions on whose solution the situation in 1993 depends in many respects. This is the draft budget and the prognosis for the socioeconomic development of Moscow during the coming 12 months. However, these two problems are so closely interrelated that it was decided to examine them together. It should be noted at once that, in spite of the fact that considerable work has been carried out, the situation with the budget remained unclear. Here are only a few figures from the long series cited in the reports of the speakers. The total proposed sum of the collection of all taxes for Moscow will come to R742 billion. Of them, the city will receive a little more than 55 percent, or R413 billion. Originally, the requests of all city services came to R1 trillion 600 million. It is natural that they were not accepted. However, even the seriously cut demand of the city for money will result in the formation of a R250 billion budget deficit. It is no coincidence that the dominant subject in the discussion was—where to get the missing money?

At the sessions of the government, a great deal was said about an enterprising search for ways of supplementing the budget. One of them is the receipt of subsidies for the performance, by Moscow, of capital functions. The source of their receipts are the government and the Supreme Soviet of Russia. The Moscow authorities would like to receive more than R102 billion rubles from the federal treasury. However, the Ministry of Finance is in no hurry with the allotment of these funds, although this question is constantly before it.

Foreign currency receipts will become another important component of the budget. The director of the Department for Foreign Relations, Mr. Ordzhonikidze, sketched the situation with their receipt. The proposed income from the activity of the Moscow Bureau for Foreign Tourism (Mosintur), from the sale of apartments for foreign currency, as well as some other sources, will give the city \$17 million. Another \$32 million "greenbacks" will be obtained as payment for rent and taxes. A proposal to direct more than R8 billion toward the acquisition of foreign exchange called forth an angry rebuttal from Yuriy Luzhkov.

The elaborators of the '93 budget did not conceal the fact that they were unsuccessful in achieving a balanced budget. For example, the budget includes capital investments for the erection of 3 million square meters of housing. At the same time, only 10 percent of the required funds are allocated for engineering. This called forth a reasonable remark of the director of the Department of Construction, Mr. Resin, who noted: Why in that case plan the construction of [apartment] houses, if they will not be supplied with either gas or water lines, and thus will remain unoccupied.

Characterizing the socioeconomic situation that will develop in the city in 1993, Mr. Zharov, who spoke about this question, declared that the Department for Industry and the Consumer Market believes that the most difficult situation is taking shape in the food industry of the city. The government of Moscow must give a great deal of attention to the financing of this industry, as well as to the provision of raw material for it. The more effective use of the barter fund that is being formed by the administration of the capital is one of the methods for the solution of this problem. Another source of obtaining funds for the budget is the thrifty use of municipal property. Now many state structures sell part of their premises to commercial organizations, receiving in that manner illegal and unearned income. This money must be returned to the city. At the same time, in the opinion of Mr. Zharov, it is necessary to be clearly aware that the city budget is not able to subsidize some types of products and services in the former volumes, which inevitably leads to an increase in their cost.

As always, the mayor of Moscow, Yuriy Luzhkov, summed up the results of the discussion. He noted that a situation is developing in the city where there is no shortage of consumers of budget funds, but there are few producers of budget funds. As before, the city structures do not want to actively learn to earn and to save money. And one of the reasons for such a situation is the absence of a competitive basis for obtaining municipal orders. At the same time, the mayor believes that there are no reasons for characterizing the developing situation as catastrophic, it is no more than difficult. At least, in his words, the city does not intend to give up a single one of the approved development programs.

In two weeks, a revised budget message should be submitted to the Moscow City Soviet.

Mayor's Press Secretary on Moscow's Problems, Upcoming Elections

934C0707B Moscow ROSSIYA in Russian No 2
6-12 January 93 p 2

[Interview with Sergey Tsoy, counselor and press secretary of the mayor of Moscow, by Tatyana Tyssovskaya, correspondent of ROSSIYA. "About Heat, Bread, Spectacles. . ."; place and date not specified]

[Text] The counselor and press secretary of the capital's mayor, Sergey Tsoy, counts himself among the supporters and followers of Yuriy Luzhkov and fully shares the political line of his boss. In a discussion with a correspondent of ROSSIYA, he did not share "a special opinion."

[Tsoy] At the basis of human life lie rather simple concepts: Provide heat and food, and then demand work from people. During the last days of the old year, the construction of a heat ring around Moscow was finally completed. A boiler of the Northern Hydroelectric Power Station and the rayon heating station in the settlement of Vnukovo were put into operation; in only 9 months the construction of RTS No 3 [not further identified] in Zelenograd was completed, which made it possible for the managers to meet the 25-degree holiday frosts without the usual headaches.

Last year we urged people to be patient: Here, we will live until the grass is green, and then things will be easier. This year the food situation has radically changed. So much has been deposited in the storehouses that Muscovites will not only be provided with beets, cabbage, carrots and other vegetables, but the surpluses of potatoes will serve as a distinctive currency for the city budget. The government has concluded contracts for the delivery of early vegetables and fruit from the countries of the CIS in exchange for potatoes from suburban Moscow. Before, concerned inhabitants called the mayor's office with complaints that they cannot buy vegetables, dairy products, and meat. Now they also call, but—apropos of bananas.

I am not revealing a secret if I say that Moscow is a very expensive city. Previously, its budget was formed from the Center, today—thanks to the policy of the Moscow government, which not only attracts foreign capital for the development of the city, but also grants subsidies for the basic types of products: Bread, milk, liquor, etc. [as published]. On the whole, in and around Moscow the prices are lower than in many oblasts of Russia. You see, if the stores, markets, and railway stations are full of newcomers, if they constantly buy things and take them away to their home regions, it means this is advantageous to them. Unfortunately, our city does not have customs borders, but they would be extremely apropos, otherwise the capital will remain an open courtyard.

[Tyssovskaya] Recently the shortage of surface transportation is being clearly felt in the capital. People wait for

hours for buses and trolleybuses, many itineraries have been completely eliminated. Will this problem be solved, and how soon?

[Tsoy] The Moscow bus fleet is basically equipped with Hungarian "Ikaruses." The relations that previously existed have been broken off, and a set of spare parts sometimes costs more than an entire bus. The basic hopes are placed on the creation of a bus base. At the ZIL AMO [Moscow Automobile Plant] plans are under way for the output of automobiles and buses, small city vehicles. True, results can be expected only in 2 years. A competition for the distribution of a city order, which is being formulated by the Guild of Moscow Industrialists and the Department of Transportation and Communication, is called upon to solve the problem of passenger transport. The opening of new lines of the underground is also conducive to the relief of surface transportation. The Bibirevo Station alone, which went into operation on the eve of the New Year, "sent under ground" more than 300,000 Muscovites and solved the basic problems of conveyance in the Northern Prefecture of the capital.

[Tyssovskaya] Lately voices of deputies of the Moscow City Soviet are increasingly being heard, demanding immediate re-elections of the government of the capital and Yuriy Luzhkov. Is the head of the administration ready for new elections?

[Tsoy] The Moscow Soviet adopted a decision to conduct elections of the head of the city's administration on 28 February. If they take place, the mayor's team will go for them boldly, since Muscovites have the right to elect a leader whom they trust. This is not the first proposal for elections, however all previous attempts were protested by the procuracy of the city as being illegal, and this time an analogous decision will be made. The cost of such a measure to the taxpayers will come to R3-5 billion, and this sum is one-third of the budget of the Fund for Social Protection. It is predestined for a special purpose—pensions, assistance to single persons, and families with many children, and invalids.

The very question has to be put differently. If the conflict between the mayor and the Moscow City Soviet is recognized as the reason for the elections, it is necessary to elect both the mayor and the deputies. According to the data of sociologists, there is every reason to suggest that Yuriy Luzhkov will be victorious in the elections, and then one can only expect an intensification of the conflict between him and the Moscow City Soviet, and cooperation with the deputy corps will be seriously hampered. So who needs these elections in slapdash fashion? Common sense suggests that such an expensive instrument should not be made into an instrument for a petty political struggle.

INTERNATIONAL AFFAIRS

Serbian Intelligentsia Appeals to Russian Parliament

934C06764 Moscow SOVETSKAYA ROSSIYA
in Russian 6 Jan 93 p 3

[Credits Follow Article: "Military Intervention Being Readied Against Serbian Nation: Our Last Hope"]

[Text] An appeal made by Serbian intelligentsia to the Russian parliament calling for the Serbian people, who are under threat of destruction, to be placed under Russian protection.

Honorable chairman of the parliament Ruslan Khasbulatov, and esteemed deputies, as you know the Orthodox Serbian people, who are few in number, yet strong in spirit, have for two years waged a difficult war that was thrust upon them, in order to defend their physical, territorial, and spiritual being.

Domestic and foreign enemies of the Serbian people, however, who caused the break up and division of the Serbian state of Yugoslavia, have unfortunately succeeded in their appalling propaganda, and in concealing the truth about events in Yugoslavia. They presented the Serbian people's defensive war as a war of conquest in the face of public opinion worldwide; a war which is also impeding the establishment of a so-called "new world order."

While covering the victims and suffering of only one side, that of the Croats and Bosnian Muslims in the civil war being waged within the territory of former Yugoslavia, and while concealing the victims and the far greater suffering of the Serbs, Western media has brought upon the Serbian people a common hatred that is threatening to come down upon them in full force.

It has come to such a strange and abnormal state that Serbia's country-allies during the two world wars: the United States, Great Britain and France are following Germany's lead, the primary culprit in the misfortunes taking place in the Balkans, in preparing military intervention against the Serbian people! This intervention promises to be of such magnitude that it would pose a serious danger even for the Soviet Union in defending its power, to say nothing of tiny little Serbia and Montenegro, weakened by heavy economic sanctions, and the daily battle waged by Serbian republics in Bosnia and Krajina against the Muslim-Croat enemy, who has received generous aid from Germany and Islamic countries in the form of weapons, materials and volunteers.

In these very difficult circumstances, while recognizing the extreme danger that our people are in, we turn to the Russian parliament with a request that they take the

necessary measures and entreat the Russian people, the Russian government and President B. Yeltsin for the immediate placement under Russian protection of the brotherly Serbian people, in order to prevent the inescapable death and disappearance of the latter from the face of the earth.

We deeply hope that our voice will be heard, even more so because we feel that a wrong, like that being readied today against the Serbian people, could also happen tomorrow to the Russian people. You are our last hope! Belgrade, 31 December, 1992.

Mfilokhij RADOVIC, Montenegro metropolitan, writer, Cetinje; Afanasije JEVTIC, Hercegovina head of church, exiled by the Croat ustash from the city of Mostar, now residing in the mountains; Irinej BULOVIC, Backa head of church, writer, Novi Sad; Artemij RADOSAVLJEVIC, Raska-Prizrenski head of church, Kosovo; Pavle IVIC, linguist, historian, member of the Serbian and Russian Academies, Belgrade; Komnen BECIROVIC, from Montenegro, writer, Paris; Vladimir DIMITRIJEVIC, from Serbia, writer, Lausanne (Switzerland); Veselin DJURETIC, historian, president of the Society for Russian and Serbian Friendship, Belgrade; Novak KILIBARDA, writer, president of the People's Party of Montenegro, Podgorica; Gojko DJOGO, poet, from Hercegovina, Belgrade; Brana CRNCEVIC, writer, member of the Yugoslavian parliament, Belgrade; Jovan RADULOVIC, writer, Knin, Krajina; Vasilije KRESTIC, historian, member of the Serbian Academy of Sciences, Belgrade; Vlado STRUGAR, historian, member of the Montenegro Academy of Sciences, Podgorica; Rajko Petrov NOGO, from Sarajevo, poet, Belgrade; Miso ODALOVIC, poet, from Kosovo, Pristina; Milka IVIC, linguist, member of the Serbian Academy of Sciences, Belgrade; Momir VOJVODIC, poet, from Montenegro, Podgorica; Ljubomir DURKOVIC-JAKSIC, literary historian, member of the Polish Academy; Cedomir POPOV, member of the Serbian Academy, from Vojvodina, Novi Sad; Slavenko TERZIC, historian, professor, Belgrade; Milovan VITEZOVIC, from Sumadija, poet, writer, member of the Serbian parliament, Belgrade; Momo KAPOR, from Hercegovina, writer, Belgrade; Budimir DUVAK, from Montenegro, poet, writer, Podgorica; Slobodan DESPOT, from Krajina, publicist, secretary of the Serbian Institute, Lausanne (Switzerland); Gavriilo RUCOVIC, president of the Memorial of Serbian Genocide, Paris; Dusan SIMIC, from Krajina, painter, Paris; Aleksandar DRASKOVIC, from Montenegro, historian, Belgrade; Dragan NEDELJKOVIC, essayist, professor, member of the European Academy, [Vannes], France; Predrag LAZAREVIC, professor, from Bosnian Krajina, Banja Luka.

Bulgaria Tightens Entry Requirements Due to 'Soviet Crime World'

934C0677A Moscow ROSSIYSKIYE VESTI in Russian
6 Jan 93 p 2

[Article by Aleksey Nikitushkin: "Criminals—For Export?"]

[Text] As of 1 January, the Bulgarian authorities have introduced "temporary measures" limiting the entry of citizens of Russia, the other CIS countries, and Georgia onto the territory of their country.

Now the citizens of most of the republics of the former USSR who cross the Bulgarian border must not only have convertible currency in the amount of \$40 dollars United States for every day of their stay, but they must also have in their possession a witnessed invitation (in case of a personal trip) or an official document from a Bulgarian organization certifying the purpose of the visit.

We must admit that the Bulgarian authorities were forced to take this step not because of the good life. In the last three years, Russians, Ukrainians, Moldovans and representatives of other republics of the former Union have literally flooded the local second-hand markets and nighttime entertainment establishments. A good portion of the "guests," as the Bulgarian police testify, is made up of racketeers, prostitutes, and other criminal elements. With the introduction of the Law on Freedom of Entry and Exit, which will facilitate trips abroad for 99.9 percent of the Russians, Bulgaria believes that this will result in a strong new influx of emigrants into its country. And as a result—there will be increased unemployment in the country, socioeconomic problems will be exacerbated, and the criminal situation will become even more complicated.

Is the threat really that serious? The data of the Bulgarian Ministry of Internal Affairs and reports of the press confirm this. Having come face to face with the representatives of the "Soviet" criminal world, even rather authoritative Bulgarian criminologists are inclined to believe that our mafia today is more frightening than the Italian mafia. And among the people there are rumors of a rather strange paradox—while our rulers are trying to breathe life into bilateral relations, criminals in the two countries have become the leaders of the "cooperation."

And this, unfortunately, is not an exaggeration of the facts. Russian racketeers control most of the "flea markets," collecting tribute from CIS shopkeepers who trade in kitchenware, watches, irons and other items which are in short supply in Russia. They are the permanent clients and "patrons" of many of the nighttime bars, where many home-grown prostitutes and striptease dancers have settled in. Only from there can one buy a weapon—a Kalashnikov automatic for 8,000 leva (\$320), or a revolver for 50,000 leva.

The currency obtained in this manner not only covers the expenses (according to the Bulgarian MVD [Ministry of Internal Affairs], the sum of bribes to customs agents alone reaches \$20,000), but also makes it possible to expand the "business," devaluing at home dollars for rubles at the official rate of exchange, and then the latter again materialize into goods without particular difficulty.

Nevertheless, in the opinion of the Bulgarian authorities, this is only the tip of the iceberg. Under the "cover" of small firms, the gangsters from the CIS are turning deals which are much more serious. According to certain data, illegal import of radioactive substances and strategic raw materials—lanthan, zirconium, radium, titanium and tungsten—from the former USSR is regularly conducted through Varna, the largest port in Bulgaria, with subsequent re-export to other countries. The prices on these goods, naturally, are by agreement. For example, one lanthan tablet of several milligrams used in self-guided missiles is sold for at least \$400. And, judging by all, this business continues to flourish.

The Bulgarian police are doing everything possible in the struggle with their own and visiting criminals. Yet we must admit that they are able to accomplish far from everything. After all, the existing visa-free regime allows the domestic mafia to easily conceal itself on the "boundless expanses" of the former USSR. The exposure of crimes is hindered also by the extremely weak interaction of the internal affairs organs of all the interested countries.

Therefore, before issuing exit documents to suspicious persons, the competent Russian services should stop and think—should we engage in the export of criminals?

Sanctions Issues Weighed at Parliamentary Hearings

934C0677B Moscow ROSSIYSKAYA GAZETA
in Russian 23 Dec 92 p 2

[Article by Aleksandr Linkov: "Coordination of Action By All Sides is Required"]

[Text] At the initiative of the Supreme Soviet Committee on International Affairs and Foreign Economic Relations and the Committee on Questions of Inter-Republic Relations, Regional Policy and Cooperation, as well as of the "Agreement for Progress" faction, parliamentary hearings have begun in the White House on the consequences of Russia's joining in the UN sanctions against Iraq, Libya and Yugoslavia. This topic was heatedly debated at the last Congress, and at the demand of a group of deputies was entered into the agenda, but due to the shortage of time the discussion was moved to the parliament.

The chairman of the Committee on International Affairs and Foreign Economic Relations, Ye. Ambartsumov, opened the hearings. Evaluating the actions of the Russian side, he noted that any sanctions one way or another lead to expenditures. In this case Russia, of course, has incurred moral as well as material ones. The latter comprise approximately \$8 billion, which is the combined debt of Iraq, Libya and Yugoslavia to the former USSR. Aside from this, our country, in the words of Ye. Ambartsumov, could not remain aside when Iraq undertook its aggression, and Libya supported international terrorism. However, in the opinion of the committee chairman, the voting of the Russian representatives to

the UN on the question of Yugoslavia was somewhat hasty. He also expressed the following possible variant: According to one of the articles of the UN Charter, countries which take part in sanctions have the right to demand compensation of their incurred loss. We must try to make use of this opportunity.

The deputy head of administration of the Ministry of Foreign Economic Relations, I. Kofanov, gave more detailed economic information to the hearing participants, expressing puzzlement regarding the leak to the mass media of figures which were not subject to dissemination and which were if not secret, then at least for official use only.

Deputy Minister of Foreign Affairs S. Lavrov presented a detailed speech, stating that we cannot take a unilateral approach to the question under discussion. Whether we had joined in the UN sanctions or not, we would still have incurred definite losses in politics and economics. The deputy minister dealt in detail with the actions which are currently being undertaken by the MFA [Ministry of Foreign Affairs] in regard to the three named countries. Specifically, active work with Libya is being conducted. Here are some positive examples: Cooperation has been outlined on the conversion program—two projects have been approved. The pressure exerted on Iraq is beginning to make itself known. The principle line against the aggressor has brought its economic dividends. A number of Arabic countries have granted Russia around \$2 billion in the form of loans. S. Lavrov acknowledged the comment regarding the use of the UN Charter article for the purpose of compensating expenditures as a just, although an almost hopeless, cause.

Speaking of the realization of the Supreme Soviet resolution regarding Yugoslavia, the deputy minister noted that, even before, the Russian MFA had undertaken work in the same directions which are today proposed by parliament. The main task is to direct all efforts toward a political resolution of the conflict.

The speeches presented at the hearings by officials, experts, and deputies did not give any synonymous evaluation of the fact of Russia's joining in the UN sanctions. Nevertheless, we may draw a preliminary conclusion from the hearings which were held—the emergence of our country onto an independent path of international relations requires coordination of actions by all interested parties and their provision with reliable information, on the basis of which it will be possible to take the appropriate correct steps. Otherwise, we may get many bumps and bruises along this path.

Spanish Ambassador on Status of Russo-Spanish Economic Ties

934A0603A Moscow ROSSIYSKIYE VESTI in Russian
25 Dec 92 p 3

[Article by Eugenio Bregolat y Obiols, ambassador of Spain in Russia: "Combining the Wish and Reality"]

[Text] First, a brief introduction. Any foreign policy incorporates foreign economic activity, whose significance is at the present time growing. In instances where political relations could encounter difficulties, the economic sphere always represents an open door, contributing to a lowering of tension and to mutual understanding.

It was for this reason, possibly, that the first official contacts in the recent history of relations between the former USSR and Spain were made via the commercial office, which began its activity in 1976. I participated in its inauguration as commercial counselor. Our mission was to support the relations which already existed, whose origins went back to the sixties and which in the 1970's had already attained a significant level.

They have since that time developed in line of ascent. This is a clear indication that they have been of interest to both our states. Since the time when, in 1987, the opportunity for the creation of joint ventures emerged, our participation has been so active that approximately 40 joint ventures with Spanish partners were registered from 1988 through 1990. I will mention just some of them. Campomos, supplying meat products; Telur, which specializes in telephones; Leningrad—Chupa-Chups, which needs no introduction; Fortuna, which is famous for its games machines and amusement halls; Yalta Internak, which sells furniture and household items; and others.

I would characterize the present state of economic relations between Russia and Spain as positive. I would observe here that since 1991, the overall volume of mutual exchanges has temporarily declined, however. Imports of raw material, the basic product of our reciprocal trade, have declined 65 percent. At the same time, however, Spanish exports are experiencing a significant upturn as a result of the easing of financial conditions.

I would recall that Spain was one of the first Western countries to grant the former Soviet Union credit totaling \$1.5 billion. This made possible an increase in Spanish exports, and in the first half of the year they exceeded imports. This had been the case previously on very infrequent occasions.

From January through September, Spain's exports amounted to \$83.8 million. We send Russia castings, steel, pharmaceutical products, cereals, furniture, and much else. There was a particular increase in the past year in supplies of knitwear, canned goods, pharmaceutical commodities, and so forth. We receive from Russia mineral fuel, nickel, wood, aluminum, fertilizer, gemstones and metals, export machinery, electronic instruments, objets d'art and antiques, musical instruments, carpets, chemical products, and other merchandise.

There are undoubtedly certain difficulties in the sphere of economic relations. I believe that they will gradually be overcome. The first pertains to the other republics—insufficient mutual cognition when it comes to trade.

After all, the bulk of Spanish-Soviet relations was exercised with Russia. With the disintegration of the USSR, the need to commence relations from scratch with other states has arisen. As far as the Russian Federation is concerned, the contacts with it were not interrupted and have continued. Spanish investors have displayed tremendous interest in the possibilities of investments on Russian territory. Various projects with a varying degree of preparedness are being developed currently.

There are other obstacles also. I would put in this category risk factors, which are impeding investment policy and preventing it from developing more actively. They may be divided into two types. First of all, the prospects of the Russian economy themselves. It is on them that the businessman's decision on whether to invest capital or to hold off depends. Entrepreneurs have to evaluate "risk-benefit" combinations accordingly.

No less important is the question of the creation of a legal base which guarantees the rights of the investor (the property sphere, transfer of profits). Particular significance is attached to the stability of the conditions under which the activity of the Spanish entrepreneur develops.

I believe that the plans for a stimulation of foreign investments recently announced by the Russian Government are very important. They will help answer certain questions and remove many of the obstacles which exist at this time.

How is the Spanish credit to Russia being realized? From our viewpoint, it has been used as intended and without undue extravagance. Its purpose is the purchase of basic necessities, be they consumer goods or raw material for industry. Russians are obviously familiar with baby foods from Spain (powdered milk and various types of breakfast cereal) and have also tried our butter and soybean oil and purchased Spanish medicinal drugs at the pharmacies.

As far as the prospects of our cooperation are concerned, the present moment cannot, in my opinion, be called the optimum. But the possibilities for its successful development undoubtedly exist. The readiness of both parties for this is evident. It is essential by joint efforts to overcome today's difficult stage and ultimately to seek the coincidence of the wish and reality.

Castro's Political Longevity, Prospects for New Regime Assessed

934C0660A Moscow NEZAVISIMAYA GAZETA
in Russian 30 Dec 92 p 4

[Article by Leonid Velekhov: "Thirty-Four—And More"]

[Text] Fidel Castro's slogan, despite all forecasts, is still valid today, but what is totally unclear is: How Much More Can It Be?

The above slogan has already accompanied the lives of more than one generation of Cubans. Only the number changes, as in our eternally memorable phrase, "let us turn the decisions of the party congress into reality," which, in our case, stood for the sequential number of the congress, and in the Cuban case, for the sequential anniversary of the victorious revolution of 1959.

As of January 1st, the cry that had lasted all year, "Thirty-Three—and More," will change to "Thirty-Four and More!" The country will celebrate one more anniversary of Castro's victory and the victory of his fellow fighters, many of whom—as for example—Che Guevara and Camilo Cienfuegos, are no longer around, and others, such as Huber Matos and Carlos Frangui are "far away." "Far away" in the political and geographical sense is really right next door—in Miami.

So today Castro is relishing the fruits of his past victory in the company of those who had little to do with the group who entered beautiful Havana on a windy, tropical January day, at the head of partisan formations to the triumphant cries of the city residents, many of whom—in a burst of enthusiasm—wrote on their doors: "This is your house, Fidel!" Recently, they say, someone's desperate hand repeated this sign at night on the gates of Havana's "Masor" psychiatric hospital.

Anyway, should anyone be surprised that during this period Castro's own milieu changed? In addition, seven American presidents have left, one after another, all of them having vowed in turn that they would topple Castro and step onto the soil of a free Cuba. Five General Secretaries in Moscow changed, all of whom in turn vowed love and friendship to Castro, and supported him with all they could. The exception was probably the last one, also swearing the same things, but providing much less support than his predecessors. More than that, Castro's main patron, the Soviet Union, disappeared from geographic maps and, to boot, so did the entire so-called socialist camp. The wily Nikita Khrushchev, some time at the dawn of the 1960's, had forced this same Castro, this bearded rebel, political filibusterer, and adventurist to cast his fate with the Soviet Union. Up to this time, Castro had not wanted to recognize either Satan or the devil, either imperialism or communism.

In general, out of the epoch that had given birth to him, plus several epochs that had replaced it, Castro alone was left on the political scene. Because of this, people laugh at him and call him a walking anachronism and a political dinosaur, and try to guess at where he will find political refuge for himself, whether in the Spanish province of Galicia, where an entire village is populated with his distant relatives, or somewhere else, although—if a sober assessment were to be given to the real situation—one should not laugh, but cry.

A year ago, at the threshold of 1992, everyone predicted Castro's downfall, from politicians to astrologers. The opposition in exile gave his regime just weeks. Bush

stated his desire, as he does periodically, to step onto free Cuban shores, and the star gazers designated August as the month for the overthrow. As a summary of the past year, we have something completely the opposite.

During this year, the Castro regime, without a doubt, grew stronger and avoided the extremely dangerous line of destabilization provoked by the downfall of the Soviet Union. Having used up 70 percent of its purchasing capability over the past two years, at the end of this year Cuba for the first time during this period began to understand the economic situation, which manifested itself in what I believe no one anticipated—a large economic trade agreement with Russia (NG wrote about it in detail in issue No. 213.).

Incidentally, with regard to regimes of the Castro type, one should not overestimate the importance of the economic factor and nurture the hope that the economic crisis is just about to reach the point where a political crisis will also begin. This "natural law" does not work in totalitarian repressive societies, since the notorious limit of public patience turns out in this case to be like the horizon—an imaginary line that, as everyone knows, goes further away as one approaches it. We should remember that well because of our own experience: Political changes in countries such as the USSR or Cuba, which not only in theory but also in practice disproved all the laws of social development, occur as a consequence of political changes. Examples of this are the consequences due to changes in General Secretaries.

The year just ending brought Castro a colossal political victory: I have in mind the unprecedented resolution of the UN General Assembly on the necessity of halting the American blockade of the island. In general, it must be said that prior to his departure, Bush has tried hard, thanks to Castro's stronger position, by signing the so-called Torricelli law, which not only intensifies the blockade, but also crudely interferes in the area of economic interests of third countries. The reaction to this flourish of Bush's pen resulted, in fact, in the General Assembly's resolution.

Taken as a whole, as I have already written before, the short-sighted and linear Cuban policy of the U.S.A. was and remains a factor that in itself strengthens Castro's regime, allowing him to blame it for all the difficulties and economic failures, uniting the demoralized people around the figure of Castro, preserving the repressive nature of his regime, etc. It is sad to see that, judging by certain signs, Clinton is planning to continue this inflexible and anachronistic political course.

With regard to the internal situation, after a small problem—and one which was apparently greatly exaggerated by a world press that is actively hoping for a democratic transformation in Cuba—Castro again completely became master of this situation. In this sense, many things played into his hands: Even without the above factors, the alienation of only a small internal opposition and its complex relations with the opposition

abroad, primarily in Miami; the weakness of the civilian population in Cuba; the fear of change on the part of many Cubans after they have seen the aftermath of the breakup of the Eastern bloc, etc. But the main factor, of course, is that exclusively cunning domestic policy of Castro himself, the ultimate foundation of the tropical socialism that he has built. On the one hand we see how every day more and more people from the island sail and fly away, for it is only by land that they cannot escape. The matter has reached the anecdotal stage, such as the recent incident with the pilot Orestes Lorenzo, who flew into Cuba on a small plane, fooled all the radars, picked up his family who had remained in Cuba against their will, and flew back to Florida without encountering any obstacles. On the other hand, the island is like a barrel, bound with the steel bands of state security services and their zealous volunteer helpers, and all sorts of committees to defend the revolution from which the average citizen cannot hide neither day nor night. How can these contradictory aspects of Cuban life be reconciled? Is it possible that all these holes in the barrel—the countless escapes by sea and air—have been sanctioned, if not made, by the master's hand? It is, after all, through these events, just as through a whistle, that all the steam escapes....

On the eve of the New Year and another anniversary of the Castro regime, somehow one no longer hears optimistic forecasts of impending coups or popular uprisings on the island. A Rand Corporation report written at the Pentagon's request states that Castro will last no longer than mid-1994. I think, however, that this forecast is also too optimistic. I am afraid that Cuba will share our fate in having to wait for the physical end of Castro's career, after which some "Cuban Gorbachev" will appear who will be the one to let the genie of change out of the bottle.

German Firm To Publish Moscow Business Directory

934A0606A Moscow IZVESTIYA in Russian 29 Dec 92 Morning Edition p 7

[Article by IZVESTIYA correspondent Viktor Tolstov: "All Business Addresses and Telephone Numbers of Moscow"]

[Text] **The German firm Evroadres is preparing to print a directory "Address—Moscow" which will serve as a most complete reflection of Moscow's business life.**

Evroadres was founded by German publishers Weber and Weudemeyer, Kassel, Kunze (Munich), and others, which have extensive experience in publishing reference materials for the FRG [as published]. Volkmar Ernst is in charge of the project.

"Address—Moscow" will include at least 150,000 addresses and telephone numbers of various city firms and institutions. When the Germans started on the

project, they were counting on a data bank collected by different Moscow firms. But the 75,000 addresses that they bought from the city information service and the 52,000 addresses acquired later from private firms were still far from providing full information about the city. That was the reason that Evroadres set up its own computer center in Moscow. Its 50 agents are checking the city thoroughly, block by block, and they register all changes in the names and addresses of enterprises and institutions. This guarantees that the information is complete and accurate.

The directory is being compiled according to the same principle that is used by the firm in publishing its books in Germany. All information is arranged by branches, and it gives an accurate picture of the economic structure of the city. The name of the firm and its telephone and fax numbers are printed in the directory free of charge. A separate payment in hard currency or in exchange rate rubles is charged for printing some additional information or highlighting it in a separate block or in different type as well as for printing firm logos and ads. The customer may request to have the information printed in several languages, because the directory is expected to be distributed in different countries of the world.

The print quality will be on the level of similar FRG [as published] publications. Those people who have had the chance to use address directories in Germany, where every office and post office has one, know that they are very convenient and quite indispensable in one's work and everyday life.

"My business acquaintances in Germany literally attack me with their questions: What is new in Moscow, and how is your project going on?" says Volkmar Ernst. "The interest of our business circles in Russia is very great, so accurate and complete information is the basis of any business undertaking. That is why I feel convinced that the directory will become a useful element of Moscow's business life; it will help to improve economic relations. It will, for instance, allow wholesale buyers and sellers to find each other without resorting to any intermediaries. Besides, "Address—Moscow" will allow businessmen from Russia and from the West to establish contacts."

After the directory is published, the German firm will continue to update its contents annually. Negotiations are also being initiated on publishing business address directories in other cities. Incidentally, any German city with a population of over 20,000 has its own directories. It is very convenient. It will be also useful to apply such experience in Russia.

Contact telephones of the Evroadres firm in Moscow are: 206-12-45; fax: 940-76-45. In Germany: Telephone directory publishers Weber and Weudemeyer, Kassel—(0561) 20-32-78; fax: (0561) 78-09-74; telex: 99635. Telephone directory publishers Kunze, Munich—(089) 34-09-36; fax: (089) 39-25-46.

POLITICAL AFFAIRS

Results of Electoral Conference Summarized

93UN0651A Kiev URYADOVYY KURYER
in Ukrainian No 64, 25 Dec 92 p 5

[Article by O. Oliynyk: "Elections: Voice of the Public or Voice of the Parties?"]

[Text] As we have already reported, an applied science conference entitled "The Electoral System and Problems of the Establishment of the Ukrainian State" was held in Kiev on 12-13 December. It was organized by a number of commissions of the administration of the president of Ukraine and the Supreme Soviet, the Association of Young Political Scientists and Politicians, the Union of Lawyers of Ukraine, and several parties and political movements. L. Kravchuk sent the conference his greetings, and among the participants, I. Plyushch, chairman of the Supreme Soviet, gave a speech.

One need not dwell on sociological theory to be convinced that the existing electoral system, which was established for the most part during totalitarian times, pleases hardly anyone: Some complain of its inefficiency, while others complain of the supremacy of the rights of the majority of voters over those of the minority and the disregard for the political spectrum.

These days, everyone realizes that not every Tom, Dick, and Harry can lead a state, but opinions vary—substantially—on how to form a professional and politically responsive structure of power. The participants in the discussion, consisting of scholars, people's deputies, and politicians, argued their positions using historical experience and the practice of foreign countries, and supported their arguments with quotations from famous figures running from Cicero to Brezhnev. They made reference to the Cossack republic and to election practices in Kievan Rus....

Finally, they agreed on one thing—that they should not adopt the draft of conference recommendations prepared in advance. This is not the final truth, stated O. Yemets, chairman of the organizational committee, presidential adviser, and people's deputy, but the task of the respected gathering lies in correlating the diversity of opinions and judgments and working out a number of conceptual formulas that can be put on the table of our legislators.

Discussion of the problem followed two channels: Formation of an electoral system and establishment of a multiparty system as a component of a democratic civil society.

The practice of other countries demonstrates that 10-15 percent of adults consider themselves to be politically defined. During periods of crisis and instability, this figure fluctuates, which we are also observing in Ukraine—from mass rallies and movements to social disillusionment and apathy. Nonetheless, states with a

high level of development have societies with a fairly clear political structure that shows up to the greatest degree in the course of electoral campaigns and general referendums. The logic here is simple: If you do not vote, others will make your choices for you. Of course, to be politically conscious, one does not have to formally belong to a certain party, but at the ballot box we make both a civil and a political choice (whether we want to or not).

World experience demonstrates three main types of electoral systems: Majoritarian (which is well known here too), proportional, and mixed. At the conference, general opinion inclined toward defining the mixed system as the basis for a new law of Ukraine on elections. For example, half of the deputies might be elected to the parliament by the usual means of a majority of votes, while half are elected by lists of parties or coalitions. This creates various opportunities for both independent candidates and party bureaucrats.

Representatives of political organizations most actively defended the principle of proportionality. This is understandable: Despite the fact that our parties number only 2,000-5,000 members apiece, all they have to do is collect a quota of signatures, and they receive the right to propose a list of candidates for election. It is believed that such a method will help to accelerate the political structuring of society and its orientation not toward specific candidates but toward programs and platforms behind which stand certain public interests and forces. After all, even independent deputies coming to the parliament are very quickly compelled to form certain blocs and factions (unless they wish only to be a button on the voting machine, of course).

Among other problems, much was said about a reduction in the number of voters in order for an election to be acknowledged valid; about a mandatory or free mandate of a deputy; about state financing of political parties; and about granting labor collectives the right to elect their own deputies. The Ukrainian People's Movement [Rukh] and the Association of Young Political Scientists and Politicians presented drafts on a law on elections.

In short, the conference completely fulfilled its consultative role. Its timeliness is demonstrated by the upcoming adoption of a Constitution of Ukraine. The draft of the Constitution stipulates, in particular, both renewal of electoral legislation and, in general, the need for the quickest possible transition of our society from the remnants of totalitarianism, with its reliance on a strong leader, to political and economic pluralism and a conscious and free expression of public will.

The phrase "states that did not previously exist" has appeared recently in international political theory. On the map of the world, many countries have emerged which have all the formal features of independence but are unable independently to provide for their own existence, require financial and economic assistance in one instance or the intervention of peacekeeping military

forces in another, and seek strong protectors. To say that our Ukraine is not threatened by such prospects is to deceive oneself.

Let us define ourselves, make a choice, and not say later that we were not there when we should have been.

Direction of Rukh Criticized

93UN0598A Kiev LITERATURNIA UKRAYINA
in Ukrainian No 50, 17 Dec 92 p 3

[Article by Volodymyr Korolyuk: "Question Without an Answer—Subjective Notes From the 4th NRU Assembly"]

[Text] As has already been reported, the 4th Assembly of the Popular Movement of Ukraine [NRU (Rukh)] was held in the city of Kiev. How can its work be assessed? What that is new in public opinion did the delegates present to the inhabitants of the young nation? Where were they proposing to advance overall? What, finally, has Rukh become today? A party? Or does it remain the widely recognized social and political organization that set the tone in the liberation struggles for independence?

I am sure that everyone wants to know the answers to these questions today. But the current leadership of Rukh was not able to answer, in particular, the last question. The strength of the NRU—the former leader of public opinion—and its influence in an ailing, exhausted society, after all, depend on that answer as well.

A Fixing Agent of Schism or the Start of Something New?

I called my notes from the last Rukh meeting "A Step From Schism" and received quite a bit of angry criticism from the extreme radicals, the "perpetual opposition." Well then, I had dared to express the idea that the first lumpenization of Rukh had unfortunately occurred, and on which the current leader of the organization, Vyacheslav Chornovil, later relied. (Today the head of the leadership himself is accusing the Lviv supporters of the classical Rukh of relying on the impoverished lumpen masses. Although I would point out that the situation was quite different a year ago—today close to 70 percent of the population of Ukraine is living below the poverty line, and has thus essentially been lumpenized.)

A schism happened with time nonetheless—the non-party leadership of Rukh did not regret that the organization was quit by both the URP [Ukrainian Republican Party] and the DemPU [Democratic Party of Ukraine]. They, and especially the head of Rukh, demonstrated convincingly that, say, ordinary republicans were supporting the opposition forces. (I would just point out that the socialists of O. Moroz also consider themselves to be a constructive opposition to the current powers in Ukraine and announced at least half a year ago their own program for getting out of the crisis, and so there was certainly no need for the leadership of Rukh to announce

the concept of nation-building as the first (!) such program. And another thing—such a program had been adopted in the URP as early as April of this year. But all this is by the way.)

What will come next for Rukh—will the chain reaction of schism started at the 3rd Assembly at the initiative of V. Chornovil continue, or will an end be put to it?

Therefore, if one were to analyze the situation at the 3rd Assembly today when it was not the concept of the departization of the Central Leadership or Rukh, it was not the idea of an opposition organization that won out, it was the desire of some to dominate a ready structure, to transform it into a party so as to commence the fight for power. V. Chornovil himself admitted this in reports titled "The Socio-Political Situation in Ukraine and the Tasks of Rukh" and "The Selection and Indoctrination of Cadres for the Future Transfer of Power—Virtually the Paramount Task of Rukh."

I will not focus attention on the fact that the topic of cadres is a topic of the Communist Party. Remember the well-known Stalinist expression that "The cadres resolve everything." The more so when the criteria for the selection of the cadres—knowledge, competence, professionalism or personal loyalty?—remain unknown. As a matter of fact, People's Deputy of Ukraine O. Yemets put it quite aptly in the lobbies of the assembly when he emphasized that he had had the opportunity once again to become clearly convinced that a politician always speaks in half-truths. This was revealed especially vividly in the course of discussing changes in the Statute. The elimination of the institution of cochairmen and a ban on members of Rukh being members of political parties, a halt to the activity of parties in Rukh as associate members—all of this testifies to the fact that the former NRU has been transformed into a party. The Statute, however, has the provision of a social and political organization.

It is my conviction that this provision is preserved for two reasons—first, if the delegates were to turn Rukh into a party with the first amendment (and that was indeed the proposition of Yu. Klyuchkovskyy, and it could become a reality—the advocates of the idea had the necessary majority), then the schism at the assembly would have been strengthened. The leadership of Rukh, on the other hand, is not certain that the rank-and-file members of Rukh would support a decision to particize the organization. Central Leadership member V. Chernyak almost declared this openly at a press conference, although both O. Lavrynovych and V. Chornovil tried in their reports to skirt the issue: "Why do you avoid the word 'party'?" That is, a conclusion suggests itself—the 4th Assembly is not the fixing agent of the schism, but looks more like a new catalyst for it. Predictions, of course, are a thankless matter, but we will wait and see.

The Face of the Future "Democracy?"

However regrettable it may be to write of this, today the concept of democracy in present-day Rukh exists just as camouflage. One need only take a look at the report of the credentials commission to become convinced of that. Say, on how the delegates were selected. The selections were made only at regional conferences, what looks like a fixed selection, or else fewer opponents made it into the hall. Here is the stance of V. Chornovil as expressed by him in a speech: "I see nothing terrible in the fact that this or that lower organization has to be disbanded and created anew on the basis of clear-cut support for the Program and the Statute." Be so kind as to tell me, is that democracy? The more so when that position can in some cases be interpreted for personal gain, and the Statute does not provide for any third party.

And if you add to that the fact that the Central Leadership can from now on, after the decision of the 4th Assembly, expel any member of Rukh, the picture begins to take on its final form. What, after all, is a gross violation of the Program and the Statute? Their classification is lacking, although, as an example, the Criminal Code clearly defines what the guilt of a person consists of. For instance, are criticism of the Central Leadership and its apparatus violations under the Statute or not? I have already heard of some instances of reprisals against those who think differently (I will not talk about the events in Lviv, since I was not there).

By the way, why didn't the assembly—the highest leadership body of Rukh—hear from representatives of the Lviv organization, who rebelled against transforming Rukh into a party? It is not only and not so much a matter of the transition to a platform of nationalism, after all, as it is more the implanting of authoritarian tendencies. This is yet more vivid testimony of the lack of a democratic approach to solving this or that problem, since the events in Lviv were essentially interpreted through the statements of just V. Chornovil.

And what was the use of the conduct of the chairman of the Poltava regional organization of Rukh, if he used all the power of his broad chest to block People's Deputy of Ukraine M. Porovskyy to keep him away from the microphone? Or the way that V. Chornovil tried to shut up the chairman of the Kharkiv regional organization, V. Pasichnyk? Or take the behavior of B. Boyka, who ordered the microphone turned off if one of the founders of Rukh, V. Bryukhovetskiy, began to criticize the position of either the assembly, which transformed Rukh into a party to please the leaders, or the Central Leadership for its authoritarian, one could say totalitarian, methods of leadership. This is yet another, utterly dangerous trend in Rukh that is also promoting its further break-up. The more so, do we Ukrainians need such a democracy?

Where is Rukh Headed?

The future of the Ukrainian state was defined at the assembly only in the concept of a national state. It looks

like the academic potential of Rukh is gradually being exhausted, and a new *nomenklatura* is getting the upper hand in it. Wasn't the trouble of V. Chornovil with the cadres dictated by this? The NRU, after all, is a national-democratic organization which in prior times had always been concerned with attaining the independence of Ukraine as a national state first and foremost. It is regrettable to emphasize this, but Rukh has lately constantly been throwing wood on the fire of separatism through the lack of its own pronounced, clear-cut stance on the national question. The delegates furthermore savored to the full the concept of federalism in the so-called concept of nation-building once again, until they arrived at the presidential definition that Ukraine is a unitary, decentralized state.

There is also no agreement pertaining to the forms of state power, and the division of power into legislative, executive and judicial has not thought through. What is the use of a statement that says "the government has to be created by the parliament and will be accountable to it alone"? And that is under the conditions of a future multiparty system? And that is called the separation of powers?

The speech by V. Chornovil was no better. Speaking in a patter about the bad economic situation in the nation, the cochairman of Rukh blamed the President and his former democrat comrades-in-arms, and praised himself for his appearance at the parliament on December 6 of last year. The impression takes shape from the speech in general that its author is trying somehow to pass along his infallibility, seeking out those to blame for the schism of Rukh in all of his old comrades-in-arms and not in himself, despite the logic of the development of events, since V. Chornovil has essentially been supervising Rukh by himself since May. Why then has he been unable (or unwilling) to explain the failure of the picketing actions of the Supreme Soviet by Rukh with the demand to dismiss the government of V. Fokin? How can it be explained that they had been able to gather only 700,000 signatures pertaining to the holding of a referendum with the demand to disband the current Supreme Soviet by the time of the assembly?

Rukh, in short, is lately experiencing defeat after defeat, but the head is pretending that he does not notice them. Lacking the courage to admit it? But the vestiges of reputation could be lost one after the other that way. And so that no one will accuse me of subjectivism, I cite an excerpt from a press release: "The head of the Sumy regional organization of Rukh, Leonid Kovalenko, expressed the idea of his organization that Rukh is presently experiencing a profound crisis, one feature of which is the decline of political activeness and schism among the Rukh members." Or is more proof needed?

I have been thinking more and more lately about the fact of why Lech Walesa at one time gave way to the President of the new Poland, W. Jaruzelski? Why did he was always in the shade and came out only when he felt that he could be late? A politician, of course, has the right

to make a mistake, but he must not make them too often. Since is it really possible not to notice, in analyzing the situation in Ukraine, the GKU ("Civic Congress of Ukraine" [in Russian]), which today sheltered itself near the RDK and is making advances to the Rukh members, is pursuing a vividly pronounced policy of "reunification" with the old, "good" Union? Is the attention of the socialists really not required toward their demagogic and populist slogans that are aimed at yesterday?

So what is the use of fighting with the President and the KNDS in this situation? This is not constructive, anyway, even if it is opposition.

I would also like to direct attention to something else. If Rukh is transformed into a party, then why did the delegates not convene a constituent assembly, since the old NRU would cease its activity after that? If it wants to remain the legal successor, then why has the assembly not adopted a special decree on that score? Several at the assembly have observed that if Rukh is registered as a party, who is then the legal successor to the NRU? Just as one cannot replace the whole spectrum with a single color, one cannot reduce the whole breadth of ideas that have existed in Rukh into one. So if Rukh wants to have a law-governed state, it has to respect the Law first and foremost and uphold legal formalities. Or will Bolshevism triumph again on the approaches to law, if we approach the law with an eye to expediency?

And now a few thoughts from the people taking part in the 4th Assembly of Rukh.

I asked Mr. B. Vsezhnevskyy from Canada how he evaluated what had happened in the hall during the discussion of the amendments to the Statute. Here is what he answered: "Strictly speaking, anarchy to the fullest. But I think that Mr. O. Lavrynovych at the end was able to get hold of the discussion. I hope that after the break the people will cool off and get down to work, since there is a certain democratic process that requires a certain discipline, otherwise there is anarchy. And with anarchy there is no democracy, and he who is more cunning, who shouts the loudest, wins out..."

I asked the head of the Odessa regional organization of Rukh after the assembly what the difference of today's Rukh from a party was.

"We are a political organization of a party type. One could recall Lenin, as he said about the transitional period from capitalism to socialism, that 'We do not yet have socialist industry, we only have socialist enterprises of a socialist type.' The difference is felt in the fact that it was during a transitional period and in the fact of what was happening then. And that is the difference between a political organization and a party."

So where is Rukh headed? Unfortunately, I was not able to give an answer to this question. Since another

National Movement of Ukraine also completed its 4th Assembly in parallel. Here is what a delegate from Mikolayivshchyna, head of the Snigurivka regional organization of Rukh Mr. Rodyuk, related to your correspondent: "Our congress was a continuation of the program line defined by the 3rd All-Ukrainian Assembly of the NRU. Our delegates preserved the provision on cochairmen. The authority of M. Goryn and I. Drach was continued, and another cochairman—V. Iskiv—was elected."

How many delegates took part, and from which oblasts?

"The credentials commission recognized the authority of 116 delegates from 11 oblasts. Lviv, Ternopol, Ivano-Frankovsk and Kharkiv, in particular, along with some others. But new people were added to these later..."

The credentials commission was elected anew?

"Yes. Since we dissociated ourselves from the congress under the leadership of V. Chornovil due to the fact that the dictatorial amendment to the Statute was adopted. Paragraph 10 prohibits the members of other parties from joining Rukh."

Did Mr. M. Goryn take part in the congress?

"No, but in the words of V. Pasichnik, he was forced to leave the post of cochairman of Rukh himself through the departization of the leaders of the Leadership."

What was the attitude of the rayon organization to your decision?

"We joined Rukh when it was not yet a party. We 67 members of Rukh and 2,000 supporters decided that if Rukh is transformed into a party at the 4th Assembly, then we would not join the new structure. That is why I have a skeptical attitude toward the figures that were just cited by V. Chornovil for the journalists. The size of V. Chornovil's party has been decreasing considerably over the last several months, since people went to Rukh because it gave a roof to all regardless of political convictions, united by the idea of building an independent and conciliarist Ukrainian state."

So it looks like it is still too soon to call it over...

Divisions in Democratic Camp Decried

93UN0621A Kiev VECHERNIY KIYEV in Russian
22 Dec 92 p 2

[Article by S. Sinyakova: "How Long Will the Canibalism Continue?"]

[Text] Following the II Rukh Meeting the then chief of the KGB of the Ukrainian SSR sent the then chief of the Communist Party of Ukraine a very interesting document "for the purpose of exchanging opinions" entitled "Analysis of the political situation developing in the republic and certain thoughts about possible directions it might take, and ways of exploiting it."

Seems like a long time ago. The IV Rukh Meeting is now history. In reading the "Analysis" however one feels convinced that old papers sometimes preserve their freshness.

"Recently leaders of the Rukh of Ukraine, the Ukrainian Republican Party and of the 'interparty assembly' have intensified their attacks on V. Chornovil and those around him. The radicals (both well and little-known names in society are listed here) accuse him of 'compromising with the communists' and refusing to support the struggle against 'the Communist regime.' The moderates (only very well-known and well-known names are listed), striving to distance themselves, and defend just the interests of their own region, wishing to 'sit it out in the shade,' note (no additional names are cited here, probably for security reasons) that V. Chornovil 'betrayed' common national interests."

A little farther on the head of the intelligence service shares his additional intentions "to intensify discord" between the already mentioned V. Chornovil and Rukh with the Ukrainian Republican Party. He even advises how he will accomplish that: "relay information in a covert manner to the leaders on concrete plans formulated by one of them against the other." Translated into human language this means that the secret agency has its own agents around each of the leaders who act relying on their own abilities for intrigue or follow instructions of masters of intrigues from the intelligence services.

The KGB no longer exists. But its cause, judging by certain events, still lives. Read on.

On special "attention" for the KNDS

At the IV All-Ukraine Rukh Conference, in a report on the relics, V. Chornovil devoted a lot of "attention" to the KNDS [Congress of National Democratic Forces] and to the politicians who are unified within it. In part the report indicated the following: "The people who are today attempting to accuse Rukh of the destruction of unity among democratic forces have a short memory."

This destruction began long before the III Rukh Conference, in the summer of 1991 when, contrary to the sober voices urging a single candidate for president from the democratic bloc, a massive nomination of "individual" candidates began.

Mentioning "A," however, it is necessary to mention "B" as well. Talk about a common candidate was heard long before the candidates were nominated. Chornovil insisted that he must be that candidate. Right after that there was the "spontaneous" nomination of the chairman of the Lvov Oblast soviet by the lower echelons. Many sober politicians, aware of V. Chornovil's ambitious aspiration to stand out, and of his achievements, primarily in the area of personnel policy in Lvov Oblast, said that V. Chornovil could not handle the job of president during such a difficult and crucial period.

As far as the apparently anti-Rukh attacks that occurred during the presidential campaign are concerned, it is just a fabrication. Except for V. Chornovil and his team, no one ever attacked Rukh. There was merely some agitation stating that Chornovil would be unable to handle presidential duties.

V. Chornovil and those of like mind in the Rukh leadership have been attempting to discredit the idea of the KNDS from the very beginning. According to them that is an anti-Rukh association, even though the KNDS bylaws state: "The Congress of National Democratic Forces is an amalgamation of political parties and public organizations of a national democratic nature, which was created for the purpose of carrying out joint measures for building and strengthening the Ukrainian state and establish national independence and democracy."

Apparently it would be rather difficult to expect an objective explanation of the reason for the creation of the KNDS from followers of the Chornovil line in Rukh. It is simple: protection of the unity of those democratic forces standing for consolidation of statehood in the face of voluntary departization which is being developed in Rukh.

Judging by the derogatory statements such as "the still-born anti-Rukh structure," which will "die a quiet death," it is possible to conclude that V. Chornovil does not like unity of democratic forces. At first glance—this is nonsense. In reality it is bitter truth with many nuances.

Its essence is not that complicated. In 1988-89 when the UGS [Ukrainian Helsinki Union] was being formed, the communist press devoted a particularly large amount of "attention" to it. A dissident journalist, and cofounder of the UGS, V. Chornovil, at that time explained that the increased "attention" was dictated by the fact that UGS was perceived as a threat. Life confirmed that thesis.

Was the attack on KNDS, on his former allies, motivated by a similar perception of a threat? On the way to the political Olympus.

[Signed] KNDS Press Service

We are not inclined to act as an arbiter in the "Chornovil - KNDS" case and certainly to side with one of the opponents. We are talking about something else. About the long-standing intention of "intensifying discord" between V. Chornovil and Rukh with the Ukrainian Republican Party. It is known that from the time of the II Conference of Rukh the republicans not only left its ranks, but entered other ranks—those of the KNDS. Therefore the only distinction at present is that the discord itself which is very strong, has shifted together with V. Chornovil to another horizon: that between Rukh and KNDS with the Ukrainian Republican Party apparently together with the "covert" way of informing all the leaders together.

Is this not a pity, esteemed politicians?

The voters, at any rate, feel annoyed. It is one thing to watch the "theater of life" but it is something entirely different to watch a puppet theater. This, by the way, was demonstrated in the period before the latest elections to the Supreme Council which proved that there is now less democracy in society than during the times of the Congress of People's Deputies of the USSR.

No additional sociological studies are needed in order to become convinced that the friction between former fellow prisoners has already caused great harm to Ukraine and its people. No matter what noble motives are promulgated to justify this friction, it cannot be justified, since new replacements for the deputy corps, which was not distinguished by its particular sympathies for national revival even previously, are threatening the very possibility of Ukraine ever becoming democratic and independent.

What were we incarcerated in prisons and camps for? For a car acquired without being on a waiting list like everyone else? For a comfortable apartment in the capital? For the possibility of taking trips abroad? For the opportunity of criticizing the shortcomings of each other's personalities? In your pre-election speeches, you, the esteemed, at one time quite justifiably criticized the Communist Party for its lack of tolerance for those who think and act differently. Then why not show an example of such tolerance in relations with each other? Appeals for unity between the poor and the rich, between those without rights and those who support power, are truly ridiculous. So far, however, you are not split along those lines. If you are split in that way speak about it honestly so that people are not surprised why Ukrainian patriots forget so quickly about patriotism, why they allow themselves to be taunted as if they are not living in their own country, on their own soil, but on some kind of a reservation.

Let us pray to the god of patience

The "discussion tribune" which VECHERNIY KIEV provided on 19 October for three individuals (V. Smage, a journalist at the newspaper, A. Shcherbatyu, a journalist under arrest at that time, and V. Nikazakov, defense lawyer) left a terrible impression, like the warning shot by a border guard: "Halt!" All three participants of the discussion, each in his own way, say certain things that are very true, while Mister Shcherbatyuk displays an extraordinary gift as a theoretician and even a prophet. Reading these intellectual exercises, however, one wants to shout: "Democrats, do not play the national card as well in long-suffering Ukraine. It is enough that we played the 'perestroika'! Let us look around: where are those masses of individuals with clean hands and bright minds who will understand everything correctly and implement into life the wisest theories? After all, the Communist idea also captivated millions of simple minds with its apparent justice of material equality and elimination of man's exploitation of man, and what did that come to in practice?"

In itself the discussion on the pages of newspapers about the excellent scientific article in the newspaper "Slovo" is unnatural since that article could quite naturally not be noticed at all just as no notice is given in polite society to a rude noise made by someone in public.

This scientific-cognitive research article should not have appeared in the mass media, its place, just as the polemics surrounding it, is on pages of scientific journals on history, psychology, etc. The democratic hotheads, however, were unable to deny themselves the pleasure of "noting." Could it be that history has taught them (and all of us) nothing yet? Anti-Semitism, for instance is advantageous only for Zionists and is fanned by them. It is the same with Russophobia, prejudice against Poles, etc. "Third forces" always exploit the situation in order to fan fires of discord between nationalities while themselves warming their hands on the fire in a banal manner. The plain people, however, who were set against their neighbors—"enemies", always pay very dearly. This is particularly appealing to our starving and deprived Soviet people who are far from having a European world outlook on relations between nationalities.

Therefore let all of us in Ukraine pray to a great god—the god of patience since a domestic war among nationalities is a hundred-fold worse than any foreign war.

[Signed] Olga Glon, deputy of Kiev Soviet

Last year Mrs. Olga visited Nagornyy Karabakh, heard and saw how mothers cry bloody tears, how they curse those who caused a civil war. Therefore her warning is not based on theory even though theory states the same thing. "Third forces" in Ukraine as well are striving to make sure that the national card remains in their hands. It is important not to deceive oneself believing that Ukrainians and Russians, comprising the largest ethnic minority in Ukraine, are automatically immune to conflict.

Not long ago Jan Bremmer, a researcher from Stanford University, conducted a poll in three of the largest cities—Kiev, Lvov, and Simferopol. He did not reveal any interethnic economic contradictions: Russians and Ukrainians are in a similar material situation, a poor one, everywhere in our country. It was revealed, however, that there are political disagreements among them, least of all, it must be noted, with regard to political parties and movements—in that regard both sides manifested an almost unanimous apathy. The evaluation of the activity of the Supreme Council and the government by both Russians and Ukrainians fluctuates in the same way between "indifference" to "disapproval." But there are a number of questions where serious differences are perceived. The attitude toward USSR, for example. Even our well-off Kiev (by comparison with Lvov and Simferopol) evidenced this in corresponding percentage figures: 42 percent (of the Russians) support the Soviet Union, and 23 percent of them are even decisively in favor of it.

The second stumbling block is the CIS. Russians throughout favor existence of the CIS.

Ukrainians everywhere decisively confirm their desire to live in Ukraine whereas Russians manifest considerable caution with regard to that issue in Lvov (opposed—slightly more than one in five and only 39 percent in full support), but this idea is openly rejected in Simferopol (53 percent opposed, and 32 percent—decisively opposed). Jan Bremmer comments that "It should be noted that this assertion possibly evidences not a desire to leave Crimea, but rather an aspiration for Crimea to become part of Russia."

We cited only a few individual results of that poll. Even they, however, confirm the conclusions reached by the researcher: "Distinctions in the views of fellow citizens in one republic belonging to two ethnic groups on main issues of state building and citizenship in that country are so significant that they cause certain concern relative to the preservation of civil harmony in the future."

"But if any lessons are to be derived from history, it is necessary to recall that such political differences frequently lead to acute ethnic divisions even in those regions where ethnic harmony was observed for a long period of time. The recent tragic events in Yugoslavia must serve as an important reminder in that regard. When political alignments change within ethnic groups they are very frequently followed by changes in interethnic relations."

If we had not started rolling toward the abyss of impoverishment after 1 December the results of the poll would probably have been somewhat different. But political formations are influenced not by political programs, but by the banal language of price lists on necessities of life. It is hardly surprising that there are some very certain changes taking place among the national minorities toward in their attitude toward national-liberation aspirations of Ukrainians? Is it for this reason that cries about the threat of Nazism, which is hanging over Ukraine, are being heard with growing frequency?

"The Helsinki movement," Vasily Stus wrote in his labor camp notebook, "is higher mathematics to this country, just as, the national patriotic movement possibly is. But the movement for housing and a piece of bread, the movement for normal worker wages—that is a commonly understood and accepted language."

That language is used today to appeal to the people by those who have been working out a method for decades based on exceptional perfidy where facts are never checked, and versions of the facts appear in the role of arguments. The most common example is "when the democrats finally forced their way into power."

Judge how they "forced their way" by the letter to the procurator general published in the newspaper PROBUZHDENIYE. We are presenting it in a considerably abbreviated version.

Who dealt with Yuhno?

The murder in Kherson was politically motivated. No honest person doubts that if he knew Vladimir Yuhno, a deputy of the rayon and city soviets, a reasonable and thoughtful leader of Kherson democrats, I have every basis to testify that, appearing back in April at a party conference, he brought up the name of Melnikov, that odious figure operating in the role of a representative of the president as such, who not only does not observe state laws, but constantly violates them himself. At that time our sworn brother stressed that nothing has changed in the Kherson preserve of the Communist nomenklatura where corrupt clans are operating, dealing mercilessly with democratically spirited people. Together with his friends he relayed some revealing materials for the MOLOD UKRAYINI through me which concerned the head of a maritime school. He also pilloried the falsifiers of Chernobyl documents from Urktechflot.

I recall my final conversation with Yuhno sometime in the middle of November. We met at the Kiev headquarters of the DemPU [Democratic Party of Ukraine] on Krasnoarmeyskaya Ulitsa. According to him he had just returned from a meeting with Dmitriy Pavlychko, through whom he was attempting to reach the Procurator General. He was dissatisfied with the visit and was waiting for the evening train. He was suffering a toothache and kept talking about the arbitrary behavior by local authorities, particularly about the struggle against a militia chief who was also a deputy. I asked him to be certain and relate all the facts concerning crimes by the local nomenklatura and send them to the newspaper.

Suddenly, there was this terrible news. Is it really so difficult for the procurator general to determine who Vladimir Yuhno was struggling against and whom he was exposing? His Kherson comrades in the struggle could provide a lot of material. The murderers must pay in full for the death of the deputy-democrat.

[Signed] Vasily Gubarets, journalist

Unfortunately this is not the only case where a political background exists in a murder or attempted murder. By contrast with "fascists" and "Nazis," who are so widely used today for scaring readers of popular newspapers, these murderers are not mythical characters. They are quite real and are even rather well professionally trained so as not to cause any "undue trouble" for procurators and judges.

To whose advantage is it that "differences are intensifying" between brother democrats? That distrust of everything Ukrainian in Ukraine is growing? That decent people "who have forced their way into power" are losing their heads for that?

anyone could probably answer these questions.

Communists won an election victory in a neighboring country today—in Lithuania. In a certain way we are

following the Lithuanian route therefore the situation is worthy of attention particularly since Lithuanian Communists have farther to go for a total victory than the situation in our case—the law on elections requires that the deputy candidates frankly declare any affiliations with the KGB if it existed. Most of the candidates from "Brazauskas' party" did not take this requirement into account which is quite understandable: their links to the KGB, one must assume, were quite strong. If they had to swear—they would not be in the elections. Violating the election law, however, they cast doubt on the results of the national election. A special parliamentary commission must now determine the degree to which all deputy candidates were involved in the activities of the Soviet security agency. Entry into parliament is prohibited for Cheka members.

In our case many politicians are afraid to open up the archives saying that it is not necessary to dig into the past and it is only important to look at what a person is doing today. It is difficult to agree with that. The only thing that justifies such a position in Ukraine is the fact that under our present conditions no one is guaranteed against falsification in those archives.

But it is necessary to think about the resolution of this problem. It must be resolved. Not for the purpose of judging, imprisoning, or dealing with it in some other way, but in order to bar an evil force from gaining control of the country. Otherwise we are not to see better times.

ECONOMIC AFFAIRS

Decree on Non-Acceptance of Money Orders From Abroad Rescinded

93UN0643A Kiev *RABOCHAYA GAZETA* in Russian
1 Dec 92 p 1

[Report: "Announcement by the Ministry of Communication": For Original Decree See: JPRS Report FBIS-USR-92-157, 9 Dec 92, pp 74-75]

[Text] As of 16 November 1992, the acceptance of money orders sent to Ukraine from abroad has been restored.

Money orders are to be received by the population in coupons recomputed to rubles at the sale rate of exchange in effect on the day that the money orders are received. Moreover, the restrictions placed on the acceptance of money orders by the republic-states of the former USSR are being retained. The issuance of money orders is likewise being carried out in coupons at the rate of exchange for purchasing rubles which is in effect on the day that the money order is submitted to the Communications Department.

Money orders for payments on invoices received from republic-states of the former USSR are being filled out at the selling rate of exchange in effect on the day that the mail is sent out.

Postal money orders for payments on invoices sent outside Ukraine shall be filled out at the purchasing rate of exchange in effect on the day that the mail is received.

Regardless of the republic-state of the former USSR, in reciprocal computations with a customer, the Ukrainian communications enterprises are to apply the coupon rate of exchange to the Russian ruble.

Problems With Transport of Export Goods Viewed

93UN0643B Kiev *RABOCHAYA GAZETA* in Russian
1 Dec 92 p 1

[Article by Vasilii Litvin: "Kids, Let's Live in Friendship"]

[Text] **Ukraine is suffocating from a shortage of currency. And this is not because we have nothing to sell: Railroad cars loaded with raw materials have been standing idle for months in ports and at railroad stations on this side of our borders.**

Do you remember the old joke? "How's life? Like in a fairy tale—the further you proceed, the more terrifying it becomes." This is our present-day reality. What is a strange wonder is the following: Deputies, managers and directors at various levels, as well as business people spend most of their lives taking business trips abroad—they study, establish contacts, and conclude contracts, but life is becoming more and more difficult, worse and worse. On the one hand, Ukraine's abundant wealth is flowing abroad like a river through commercial structures; clever wheeler-dealers are stuffing their pockets with millions of dollars in the process. But, on the other hand, millions of tonnes of state goods have been standing idle for a long time and will not reach their consignees on schedule.

"In 1976 we shipped 42.5 million tonnes of raw iron ore abroad, but in 1991 this figure was only 17 million tonnes," complained V.S. Vinnikov, director of Rudosbyt [Ore Sales] for the Ukrainian Ministry of Industry. "Well now, does that mean that our capacities fell off that badly? No. We have been hampered by a lack of coordination and a disruption of our former ties...."

Solely because of this and for the Krivoy Rog Iron-Ore Basin alone, the state lost approximately 20 million dollars.

And here are some figures from the information handbook entitled "Ukrzaliznytsi" [Ukrainian Railroads]. On a daily average at ports and on the docks themselves there are about 1 million tonnes of metal waiting to be loaded onto ships, whereas the norm for this is 320,000 tonnes. In addition to this, there are more than 1,500

freight cars hauling metal waiting to be unloaded every day at stations adjacent to the ports; and there are some 60 trains standing in an abandoned state every day on the approaches to these stations. An average of 26 "forgotten" trains stand idle at stations on our side of the border, and the losses from this amount to 110,000 railroad-car-hours.

But at the same time businessmen are pushing through various kinds of freight without any hindrance. For example, the "Slavutychruda" Association delivered 5,400,000 tonnes of ore to the Czech and Slovak Republic. And this was all done through middleman-type organizations, which put 7 percent of the currency earnings into their own pockets.

In the bedlam which has evolved—and no other word can be chosen to describe this condition—a technology of expenditures has already been worked out. The scheme is approximately as follows: A railroad informs a freight dispatcher concerning a ban on loading; there is then an urgent business trip to the border station. Naturally, there is a tearful entreaty in an arbitrary form, and...permission is granted. It may well be asked: Who profits by this? Yes indeed, someone does profit.

The railroaders demand currency for every loaded freight car being dispatched abroad. In some cases the amount may be 5 dollars, in others—50 dollars. Nobody has set any standardized rates. For the sake of fairness, let it be noted they are on legal grounds in demanding currency. But all this is being done arbitrarily and in a sense of anarchy. A certain legal vacuum has been formed within which each person wants to grab as much as possible. We simply cannot live without the appropriate documents to regulate the actions taken by each of the parties involved.

An impression has been created that—drunk with freedom—we frequently harm each other. It seems that everything is fine for each person individually, but taken altogether we suffer from this. For example, all nine companies have rushed to sell iron-ore concentrate abroad. This is completely legitimate. But, in such a case, the prices for concentrate in the West will immediately decline. And, as a whole, we will lose; the miners who mine the ore will also lose.

In short, more messes than we bargained for. Moreover, they sometimes border on the absurd. For example, everybody knows that the USSR Ministry of Railways no longer exists; there is now the Russian Ministry of Railways. But it turns out that—to this very day—all applications from Ukrainian freight dispatchers to ship freight through Ukrainian border stations have to be authorized by Moscow. Of course, that's just a joke. The truth is that—as declared by L.L. Zheleznyk, the first vice president of "Ukrzaliznytsi,"—there is no longer any need for this; beginning on 1 December, "Ukrzaliznytsi" has taken everything into its own hands.

A serious conversation took place regarding this matter at a conference held in the office of V.I. Yevtukhov, vice

premier for industrial and construction matters. It was attended by ministers and vice presidents, chiefs and deputy chiefs having to do with the operation of railroad transport. And the goal of this conference was simple: How to adjust and correct—within the framework of the law—their own actions so that even if everything is still not good, at least it might be better and not harm Ukraine any further. The conference participants adopted their minutes, which indicated precisely what is to be done, as well as for whom and when. Its entire meaning and intent could be expressed in the following sentence: Kids, let's live in friendship!

How many calls like this have resounded before? But here's the trouble: Not enough people heed them. Will that happen again this time?

KLM Institutes Kiev-Amsterdam Route

93UN0643C Kiev *RABOCHAYA GAZETA* in Russian
1 Dec 92 p 1

[Article by Dmitriy Shlapachenko: "It's More Than a Dream and Higher Than SONY. It's KLM"]

[Text] Competition among the world's airlines is extremely keen nowadays. This compels them to seek out something new and original so as not to "drag out a pitiable existence," but rather to keep their "seat on the horse." Perhaps it was precisely such ideas which guided the KLM company when it inaugurated the Kiev-Amsterdam route.

The Dutch understand the following point extremely well: Ukraine's economic collapse will not be forever, and one day it will "arise from the ruins." And who will gain its favor at that time, thereby enriching themselves? Completely right—that person or company which will gain a firm foothold in this colossal marketplace now. Yes the ticket price is a steep one—a minimum of 707 dollars. But foreigners pay just such a sum as this to Ukrainian Airlines. I am a patriot for our airplanes, but the KLM service is somewhat better, even though—as I have learned from reliable sources—the Boeings belonging to the Dutch fly half-empty. Surely this cannot be profitable, can it? And so it was specifically with this question that I began my conversation with Dick Wermelin, manager of KLM's Kiev branch.

[Wermelin] A normal business normally does not make a profit during its first year or year and a half. It is only later, after you have had a chance to assess the situation that you are able to make a profit. KLM has not planned on any lightning-like acquisition of profits here. We understand that the first few months will be spent in making ourselves known in Ukraine and in letting Western citizens know that we have opened our own branch in Kiev. At present we have 8 flights a month, and the passenger flow is increasing all the time.

[Shlapachenko] On our flights, i.e., those of the CIS airlines, a passenger cannot purchase a ticket unless he has a visa. Do you have that same system?

[Wermelin] As a rule, we do not sell tickets to a person who does not have a visa. But sometimes we simply help persons to obtain one. And, in general, I consider that if you have been unsuccessful in acquiring this document, then why would you purchase a ticket to Amsterdam?"

Fly the airplanes of KLM, the Royal Dutch Airlines, and you will discover how splendidly the Boeing 737-300 handles itself in the air. That is, of course, if you can scrape together 707 dollars....

Overview of Dnepropetrovsk Oblast Economic Situation

93UN0564A Moscow DELOVOY MIR in Russian
1 Dec 92 p 7

[Text] Dnepropetrovsk Oblast is in the center of Ukraine, in the steppes with their fertile chernozem soils. The Dnieper, Europe's biggest river, flows through the oblast.

The oblast has an area of 31,900 square kilometers and a population of 3.9 million. It is made up of 22 administrative regions. There are 19 cities of oblast and rayon jurisdiction, 54 urban settlements, and 1,449 rural communities on the map of the oblast.

Urbanites make up 84 percent of the population (the average for Ukraine is 68 percent). The oblast center is Dnepropetrovsk (with a population of 1.2 million). The population of Krivoy Rog is also approaching the million mark.

Industry plays an important role in the oblast economy. It is responsible for 71 percent of the gross product. Construction's share is 7.4 percent, agriculture's is 12.1 percent, the share of transportation and communications is 3.4 percent, and other sectors account for 5.3 percent.

Industrial Potential

There are 399 industrial enterprises in all in the oblast, including 47 in metallurgy, 6 in the chemical and petrochemical industry, 53 in machine building, and 106 in light industry and the food industry. Ferrous metallurgy is the leading branch. The Krivoy Rog and Dnieper metallurgical combines are not only the largest in Ukraine, but also in the CIS. The Southern Machine-Building Plant is a giant production association in oblast machine building. Its shops produce space rockets and kitchen sets, tractors and folding umbrellas, trolleybuses, wind-power equipment, microwave ovens, and much more.

Output of Main Industrial Products

Products	Unit of measurement	1991	7 months of 1992	In % relation to same period last year
Coal	thousands of tonnes	10,756	6,839	110
Electric power	millions of kWh	31,474	16,834	89.1
Coke, 6 % moisture content	thousands of tonnes	8,144.7	4,699.0	92.3
Iron ore (commercial)	thousands of tonnes	74,911.3	39,702.3	85.1
Manganese ore (commercial)	thousands of tonnes	6,624.5	3,388	86.6
Cast iron	thousands of tonnes	14,174.9	8,131.4	89.5
Steel	thousands of tonnes	16,682.4	9,219	89.2
Finished rolled stock	thousands of tonnes	12,100	6,689.6	89.0
Steel pipe	thousands of tonnes	4,015.8	2,109.9	85.9
AC electric motors	thousands of units	83.3	52.1	97.7
Metal-cutting lathes	units	347	176	81.9
Woodworking lathes	units	4,870	2,810	93.8
Chemical equipment and spare parts	thousands of rubles	68,154	71,549	130.3
Freight cars	units	5,566	3,127	96.7
Tractors	units	43,464	18,741	67.9
Mineral fertilizer (100 % nutritive substances)	thousands of tonnes	509.9	270.5	84.5
Vehicle tires	thousands of units	4,841.6	2,469.2	84.2
Cement	thousands of tonnes	3,002.0	1,704.5	84.2

There is a noticeable disparity between heavy industry and the sectors producing consumer goods. The total

output of consumer goods is equivalent to one-sixth of the production volume in heavy industry.

Output of Main Consumer Goods

Products	Unit of measurement	8-month output	Increase (+) or decrease (-) in relation to same period in 1991
Meat, including first-class by-products	tonnes	71,998	-18,176
Sausage	tonnes	38,449	-4,251
Butter, including butter from customer-supplied milk	tonnes	13,074	-843
High-fat dairy products (calculated in milk units)	tonnes	228,744	-119,350
Television sets	units	204,656	-205,945
Color sets	units	66,406	-55,912
Tape recorders	units	10,680	-516
Refrigerators	units	114,419	-1,615
Vacuum cleaners	units	254,666	-98,694
Furniture	millions of rubles	1,562.4	-10.5
Footwear	thousands of pairs	6,671	-1,421
Sewn garments	millions of rubles	2,513.7	+67.9
Knitwear	thousands of units	4,453	-597

The total output of consumer goods in the first eight months of this year was equivalent to 42 billion rubles. This was 6.16 billion rubles, or 12.8 percent, below the figure for the same period in 1991.

In terms of its industrial potential, Dnepropetrovsk Oblast ranks second (after Donetsk Oblast) in Ukraine. It accounts for 40.3 percent of the republic's ferrous metallurgy output, 12.4 percent of the chemical and petrochemical products, 10.9 percent of the electric power, and 7.6 percent of the machines and equipment.

Agriculture

The oblast agroindustrial complex is one of the leaders in the republic. Its share of the republic output of agricultural products is more than 6 percent. Nevertheless, because of the high level of urbanization in the cis-Dnieper zone and the constant reduction of sown area due to the expansion of industrial enterprises, and especially mining enterprises, the agroindustrial complex in the oblast still cannot provide the population with all of the necessary foods.

In all, there were 329 kolkhozes, 139 sovkhoses, and 10 interfarm associations in the oblast on 1 January 1992. The total area of agricultural land amounts to 2.5 million hectares, including 2.12 million hectares of plowland. Irrigated fields occupy an area of 253,000 hectares. The main areas of agricultural production are grain, sunflower, and vegetable farming, and the level of development in animal husbandry is quite high. On the average, the oblast produces 3 million tonnes of grain, 360,000-380,000 tonnes of meat, 1.2-1.3 million tonnes of milk, and 1-1.1 million eggs a year. In addition, the per capita output of vegetables is equivalent to 130-135 kilograms.

Private farming is becoming more common. Whereas there were 71 family farms in the oblast in 1991, there

are now 680, with 1,800 people working on them. Farmers were allocated 19,300 hectares of agricultural land, including 17,900 hectares of plowland.

Scientific Potential

There are 120 scientific establishments in the oblast, including three academy institutes, 20 large sectorial research institutes, and several planning and design organizations.

On 1 April 1992 there were also 24 innovation marketing cooperatives and project planning and design cooperatives and 20 scientific research cooperatives. In addition, 252 small enterprises engaged in science and scientific services are operating successfully.

The volume of completed scientific and technical projects in 1991 exceeded a billion rubles. Development projects accounted for 79.1 percent of the total, applied research represented 12.5 percent, and basic research accounted for 1.9 percent.

There are 12 higher academic institutions, mainly engineering colleges, and one branch of a higher academic institution in the oblast. They are attended by more than 75,000 students.

Manpower Resources

The sectorial distribution of workers and employees in the middle of 1992 was the following:

Sectors	Thousands of individuals
National Economy as a whole	1,514.1
Industry	686.9
Agriculture (sovkhoses)	76.1
Transportation	101.3

Sectors	Thousands of individuals
National Economy as a whole	1,514.1
Construction	174.4
Communications	19.4
Trade, food service, material and technical supply, and procurement	104.9
Public health, physical culture, and social security	107.4
Public education	124.1
Culture	10.5

Sectors	Thousands of individuals
National Economy as a whole	1,514.1
Art	4.7
Science and scientific services	30.7
Credit and state insurance	9.1
Public utilities and consumer services	44.8
Economic and public administration	17.5

On 1 September 1992 there were 3,638 unemployed individuals registered in city and rayon employment centers in the oblast. Unemployment benefits are being collected by 2,583 people.

Market Structures

Addresses and Telephone Numbers of Largest Banks in Dnepropetrovsk Oblast

Name of bank	Address	Telephone
1. Oblast Administration of Ukrainian National Bank	320000, Dnepropetrovsk, Ulitsa Lenina, 13	44-21-77, 45-42-15
2. Board of Directors of "Ukrsotsbank" Joint-Stock Commercial Bank	320000, Dnepropetrovsk, Ulitsa Lenina, 13	44-25-12
3. Board of Directors of "Ukraina" Republic Joint-Stock Commercial Bank	320098, Dnepropetrovsk, Ulitsa Malinovskogo, 66	20-26-73
4. "Yuzhkominbank" Commercial Venture-Investment Bank	320055, Dnepropetrovsk, Ulitsa Titova, 21	45-55-88
5. "Dnipro" Commercial Bank for Scientific and Technical Progress	320056, Dnepropetrovsk, Ulitsa Naberezhnaya Lenina, 29a	41-60-90
6. "Privatbank" Commercial Bank	320000, Dnepropetrovsk, Ulitsa Serova, 5a	41-20-01
7. "Novyy" Commercial Bank	320020, Dnepropetrovsk, Prospekt Karla Marksa, 93	44-50-55
8. "Samara-Agro" Joint-Stock Commercial Bank in Novomoskovsk	Novomoskovsk, Ulitsa Sovetskaya, 12	2-50-92
9. State Export-Import Bank	320070, Dnepropetrovsk, Ulitsa Lenina, 10	45-13-08
10. Affiliate of "Vostok" Cooperative Bank in Ufa	320000, Dnepropetrovsk, Ulitsa Moskovskaya, 5	44-01-08
11. Affiliate of "Tokobank" Intersectorial Commercial Bank for Wholesale Trade Development	320070, Dnepropetrovsk, Ulitsa Lenina, 10	45-25-90

Commercial Exchanges

Cis-Dnieper Commodity Exchange: Founded as a small enterprise in June 1990. Converted into a regional exchange in April 1991. Member of the "Metall Ukrainy" syndicate. Charter capital of 10 million rubles. Private trading sessions on Thursdays. Universal specialization. Exchange transactions in January-August 1992 totaled 443.6 million rubles.

Address: 320027, Dnepropetrovsk, Ulitsa Dzerzhinskogo, 23.

Telephone: (0562) 44-27-16, 45-98-23.

Fax: (0562) 44-21-22, 45-98-65.

Cis-Dnieper "Metall" Exchange: Charter capital of 500,000 rubles. Founded in November 1991. Metal products account for 90 percent of all transactions. Trading on Wednesdays.

Address: 320000, Dnepropetrovsk, Ulitsa Lenina, 17.

Telephone: (0562) 41-89-61, 45-82-92.

Fax: (0562) 45-22-45.

"STROM" Ukrainian Intersectorial Specialized Exchange: First construction materials exchange in Ukraine. Founded by enterprises of republic construction industry. Charter capital of 8 million rubles. Trading every Wednesday and Friday. Founded in December 1991.

Address: 320600, Dnepropetrovsk, Prospekt Karla Marksa, 57.

Telephone: (0562) 45-31-55.

Fax: (0562) 44-11-46.

Ukrainian Regional Real Estate Exchange: Charter capital of 5 million rubles. Founded in March 1992. Trading on Tuesdays and Fridays. Specializes in real estate.

Address: 320070, Dnepropetrovsk, Ulitsa Komsomol'skaya, 48.
Telephone: (0562) 44-51-76, 44-52-34.

Dnepropetrovsk Commodity Futures Exchanges: Founded in April 1991. Converted into joint-stock company in August 1992. Weekly trading sessions on Wednesdays. Universal specialization.

Address: 320600, Dnepropetrovsk, Ulitsa Komsomol'skaya, 58.
Telephone: (0562) 42-89-60, 42-85-19.
Fax: (0562) 42-86-66.

"Mekrubi" International 24-Hour Exchange: Charter capital of 8.5 million rubles. Founded in August 1991. Only exchange of its kind in the republic. Ready at any time to transmit any information about market conditions through electronic media and to conduct transactions throughout the CIS.

Address: 320056, Dnepropetrovsk, Ulitsa Plekhanova, 18.
Telephone: (0562) 78-01-28, 78-08-31.
Fax: (0562) 92-02-07, 78-08-31.

"Production-Investment Company," a joint-stock company: Charter capital of 20 million rubles. Established in August 1991 as Krivoy Rog Commodity and Raw Material Exchange. Converted into joint-stock company in June 1992. Daily electronic trading. Universal specialization, but with an emphasis on metal products.

Address: 324101, Krivoy Rog, Ploshchad Sovetskaya, 1.
Telephone: (0562) 74-38-37, 74-14-14.
Fax: (0562) 74-51-34.

"Nikopolis" Agricultural and Industrial Commodity Exchange in Nikopol: Founded in August 1991. Selective trading on Thursdays. Universal specialization.

Address: 322918, Nikopol, Dnepropetrovsk Oblast, Ulitsa Gazety "Pravda," 3.
Telephone: (05662) 1-01-28, 1-12, 33.
Fax: (05662) 1-01-28.

Cis-Dnieper Agricultural Commodity Exchange: Founded in December 1991. Charter capital information not disclosed. Private joint trading sessions on Thursdays with Cis-Dnieper Commodity Exchange. Specializes in agricultural products, agricultural equipment, spare parts, and consumer goods.

Address: 320115, Dnepropetrovsk, Ulitsa Teplichnaya, 5.
Telephone: (0562) 45-98-46.
Fax: (0562) 44-21-22.

"Ukrainian Metals Exchange," a joint-stock company: Charter capital of 250 million rubles. Established in June 1992. Almost daily opportunities for transactions with partners in Ukraine and other CIS countries. Specializes in broad variety of ferrous and non-ferrous metallurgy products. This exchange has also been active in sectorial reconstruction.

Address: 320028, Dnepropetrovsk, Ploshchad Lenina, 1;
tel: (0562) 41-88-37.

Joint Ventures

There are 30 joint ventures with foreign partners in the oblast. In the first eight months of this year they produced and sold goods and services worth 785.1 million rubles, including exports for 126.6 million foreign exchange rubles.

Name of joint venture	Type of business	Address, telephone
"Demos" Ukrainian-Swiss JV	Metal products and consumer goods production	Dnepropetrovsk, Ploshchad Lenina, 1
"Kometa" Ukrainian-Cypriot JV	Computer delivery and maintenance	Dnepropetrovsk, Ulitsa Shevchenko, 59
"Rudana" Ukrainian-Italian JV	Produce processing	Krivoy Rog, Ulitsa Televizionnaya, 13
"Iamsa-Dnieper" Ukrainian-Italian JV	Meat and milk processing and storage	Dnepropetrovskiy Rayon, town of Opytnyy
"Rax" Ukrainian-Canadian JV	Production of metal items, railroad axles, and wheels	Dneprodzerzhinsk, Ulitsa Kirova, 18-6
"Dafmi" Ukrainian-Austrian JV	Consumer goods production	Dnepropetrovsk, Ulitsa Krivorozhskaya, 1
"Oberon" Ukrainian-German JV	Research projects in current sources and electronics	Dnepropetrovsk, Ulitsa Pisarzhevskogo, 5
"Mriya-Moda" Ukrainian-American JV	Outerwear tailoring	Dnepropetrovsk, Ulitsa Barrikadnaya, 5/7
"Gratsiya" Ukrainian-Hungarian JV	Clothing and furniture production and tourism	Dnepropetrovsk, Ulitsa Shevchenko, 10
"Fianit" Ukrainian-Hungarian-German-American JV	Production and commercial operations	Dnepropetrovsk, Ulitsa Kazakova, 3
"Polycom UB" Ukrainian-American JV	Foreign sales of coal-tar chemicals	Dnepropetrovsk, Ploshchad Lenina, 1
"Intertrade" Ukrainian-British JV	Champagne and liquor production	Dnepropetrovsk, Ulitsa Kislodnaya, 47
"Indoslav" Ukrainian-Indian JV	Food and consumer goods production	Dnepropetrovsk, Ulitsa Avtozavodskaya, 7
"Aelita" Ukrainian-German JV	Motor vehicle sales and service	Dnepropetrovsk, Prospekt Kirova, 28
"Metakon" Ukrainian-German JV	Scientific and technical product sales and leasing	Dnepropetrovsk, Ulitsa Leningradskaya, 5
"Dikom" Ukrainian-Polish JV	Consumer goods production	Dnepropetrovsk, Prospekt Pushkina, 42

Name of joint venture	Type of business	Address, telephone
"Toik" Ukrainian-French JV	Production of furniture and other consumer goods	Dnepropetrovsk, Ulitsa Shchorsa, 8
"Inter-Dela-Corporation" Ukrainian-Cypriot JV	Gas station construction and operation	Krivoy Rog, Ulitsa Gritsevska, 3
"Geoimpuls" Ukrainian-Czechoslovak JV	Drilling and geological engineering	Krivoy Rog, Ulitsa Lenina, 56
"Seko" Ukrainian-Czechoslovak JV	Crude iron ore deliveries	Krivoy Rog, Northern Post Office
"Unimetal" Ukrainian-Cypriot JV	Production and sales of various products	Dneprodzerzhinsk, Ulitsa Kirova, 18-6
"Sofrahim" Ukrainian-French JV	Rust-proof coating production	Pavlograd, Ulitsa Zavodskaya, 44
"Ukraina-Steel" Ukrainian-Swiss JV	Metallurgical waste processing	Krivoy Rog, Ulitsa Revolyutsionnaya, 17
"Dneprometallin" Ukrainian-Yugoslav JV	Furniture accessory production	Dnepropetrovsk, Ulitsa Arteinaya, 10; tel: 23-31-64
"Samantha" Ukrainian-American JV	Commercial operations	Dnepropetrovsk, Ulitsa Avtotransportnaya, 2
"Intertona" Ukrainian-American JV	Sewn garment and knitwear production	Dnepropetrovsk, Ulitsa Moskovskaya, 12
"Universal-Centre" Ukrainian-English JV	Production of TV sets and leather goods	Dnepropetrovsk, Ulitsa Korolenko, 20
"Krivbass-Detva" Ukrainian-Czechoslovak JV	Production of components and spare parts for construction equipment	Krivoy Rog, Ulitsa Nogina, 31; tel: 56-45-71
"Hebros" Ukrainian-Bulgarian JV	Agribusiness	Krivoy Rog, Ulitsa Kosnora, 25

In addition, there are 1,234 cooperatives with a staff of 31,000 in the oblast. They produced goods and performed services worth 2,196,600 rubles in the first half of 1992. The number of cooperatives has decreased almost by a factor of 1.5 since the beginning of this year, which is partially due to their conversion into small enterprises, for which tax rates are more tolerable, and partially due to the liquidation of the weakest teams.

Only 2,500 of the registered 4,100 small enterprises are doing business. Their combined volume of goods and services exceeded 5.5 billion rubles in the first half of the year. In construction, 16 of 42 trusts and 14 of 91 contracting organizations (which do not belong to trusts) are operating on leases. They perform almost one-fourth of all contracted construction and installation work in the oblast.

There has been progress in the denationalization of enterprises and organizations. More than 25 percent of the enterprises in the region are leased or have been converted into joint-stock companies. Today they account for more than 20 percent of the total product. On 15 July 1992 the transition to market relations was made by 663 trade enterprises and 93 food service enterprises, representing 39 percent and 6 percent of the respective totals.

The number of businessmen's associations is also rising. The main ones are the following:

The Scientific-Industrial Union supports entrepreneurial structures and coordinates their efforts to defend their interests. It unites several other unions and societies. It plays a perceptible role in the activities of the Union of Ukrainian Businessmen.

Chairman of union board—Yevgeniy Tsimbal.
Address: 320600, Dnepropetrovsk, Ulitsa Komsomolskaya, 58.

The Association of Industrial, Construction, Transportation, and Communications Managers was formed in May 1992 to consolidate efforts to promote the use of the creative potential of labor collectives and defend their legal interests at this difficult time.

Chairman of the board—Gennadiy Grozitskiy, general director of heavy press production association.
Address: 320020, Dnepropetrovsk, Prospekt Karla Marksa, 93. Tel: (0562) 44-35-44.

In addition, there are the **Dnepropetrovsk Union of Managers, Dnepropetrovsk Union of Businessmen, Dnepropetrovsk Union of Small Enterprises, Dnepropetrovsk Union of Farmers**, and others.

Regional Infrastructure

There are three airports in the oblast: two in Dnepropetrovsk and one in Krivoy Rog. There are flights to virtually all of the large cities in Ukraine and the CIS and also in several East European countries.

The length of the railroads in Dnepropetrovsk Oblast exceeds 2,100 kilometers. Gross rail freight turnover was 32.8 billion tonne/kilometers in the first eight months of this year.

The oblast also has three river ports with 77 passenger and freight vessels. River transport workers in Dnepropetrovsk Oblast have recently been more likely to sail directly to Turkey, Greece, Italy, and other countries. This has expanded the geography of the oblast's economic relations considerably and has provided opportunities for direct trade with foreign partners with minimal losses.

There are 36 public motor transport enterprises in the region: 20 passenger transport enterprises, 13 trucking enterprises, and 3 taxi services. The whole network of

highways in the cis-Dnieper region totals 8,600 kilometers, including 8,500 kilometers of paved roads. The length of interurban bus routes is 56,200 kilometers.

A subway is being built in the oblast center. The first line will run from outlying business districts to the center of the city and will be 11.8 kilometers long. The first 7.8-kilometer section is scheduled for start-up in 1993. It will have six stations.

There are 78 hotels in the oblast with total accommodations for 4,300 guests. The largest hotels in the oblast center are the "Dnepropetrovsk" (Naberezhnaya imeni Lenina, 33; tel: 45-53-27), "Astoria" (Prospekt Karla Marksa, 66; tel: 44-23-04), "Tsentralnaya" (Prospekt Karla Marksa, 60; tel: 45-03-47), "Ukraina" (Ulitsa Korolenko, 2; tel: 45-22-83), "Sverdlovsk" (Ulitsa Sverdlova, 12; tel: 42-82-07), "Rassvet" (Ulitsa Fuchika, 30; tel: 47-15-16), "Sport" (Ulitsa Shchorsa, 4; tel: 45-24-85), a branch of the "Dnepropetrovsk" (Ploshchad Shevchenko, 4; tel: 44-88-03), "Tsirk" (Naberezhnaya imeni Lenina, 33-a; tel: 44-62-89), "Aeroport" (tel: 99-54-81), and others.

The description of the region would not be complete without some mention of the cultural-educational establishments in the oblast. Dnepropetrovsk Oblast has eight theaters: the Ukrainian Musical Drama Theater imeni T.G. Shevchenko (Ulitsa Lenina, 5; tel: 44-52-26), the Opera and Ballet Theater (Prospekt Karla Marksa, 72a; tel: 44-56-43), the Russian Dramatic Theater imeni Gorkiy (Prospekt Karla Marksa, 97), the Theater for Young Audiences (Ulitsa Lenina, 6; tel: 45-30-14), the Krivoy Rog Theater of Drama and Musical Comedy (Prospekt Karla Marksa, 23; tel: 29-56-64), the Dneprodzerzhinsk Russian Dramatic Theater (Ploshchad Gagarina, 3; tel: 3-76-43), and others. The most entertaining performances are put on in the "Meteor" complex (Ulitsa Bolshevistskaya, 1; tel: 42-68-04). The Organ and Chamber Music Center in the building formerly occupied by the Bryansk Church is distinguished by magnificent acoustics (Prospekt Kalinina, 66; tel: 52-41-08). The Dnepropetrovsk and Krivoy Rog circuses are always sold out.

There are also six museums in various cities in the oblast, and the History Museum and Art Museum in Dnepropetrovsk have particularly impressive collections of antiquities. The population is served by 61 movie theaters, 975 cultural centers and clubs, and 1,069 public libraries. Eleven cultural and recreational parks are located in the region. There are 86 children's music and art schools and fine arts schools.

Many different newspapers, weeklies, and almanacs are published in the oblast. The business press is represented by the SVOYE DELO (Ulitsa Komsomolskaya, 58; tel: 42-87-36) and BIRZHEVYYE NOVOSTI (42-87-43) newspapers, and the Dnepropetrovsk Television Studio has reserved a special channel for businessmen.

More on Irish-Ukrainian Airline Joint Venture

93UN0648A Kiev *RABOCHAYA GAZETA* in Russian
3 Dec 92 p 1

[Article by V. Vernodubenko: "To the Market on 'Boeing's'"]

[Text] The first scheduled flight of a "Boeing 737-400" took place a few days ago on the London - Kiev - London route, organized by the Ukrainian-Irish "Air Ukraine International" Airline. The flight had some journalists aboard as well. For us, who are so accustomed to "unobtrusive" Aeroflot service, it was somewhat strange to feel the constant attention and concern of the stewardesses and stewards trained at Shannon (Ireland) and Seattle (U.S.A.).

After the aircraft reached an altitude of almost 11,000 meters we were permitted to visit the flight deck. We discovered that the airliner arrived to Borispol Airport directly from the "Boeing" firm in Seattle. Ukrainian pilots were trained by American instructors. This is a first-class aircraft. It has several backup safety systems and is controlled in flight with the aid of computers. It is designed to carry 150 passengers, contains a business class, and an economy class in which air conditioners maintain a constant temperature. Meals are heated in microwave ovens.

Valeriy Nazarenko, president of "Air Ukraine International" stated that "The 'Boeing' aircraft will permit Ukraine to compete on an equal footing on the world market with some of the largest western airlines. Our airline was the first among CIS countries to start using new 'Boeing's'. A few days ago we received the second such aircraft and four more will be arriving soon. Next year two of them will start flying to New York, Chicago, and Toronto. Until then we will be flying to Amsterdam, Berlin, Munich, Paris, Vienna, Brussels, and Frankfurt am Main. The charter capital of the airline amounting to several million dollars was formed for the most part by the Irish "G. P. A." Airline which provided the 'Boeing's' for lease.

The longer than three-hour flight passed quickly and our aircraft landed at the Gatwick Airport where passengers on this flight were met by Sergey Komissarnek, the ambassador of Ukraine in Great Britain, and by representatives of the Ukrainian diaspora in Great Britain.

Even though Ukraine has vast potential possibilities in the field of tourism as well, at first the leased 'Boeing's' will be servicing primarily business travellers. On the way back we met some of them: they were Haim Lyubashvskiy from Great Britain and Velve Vays from Israel—who jointly formed a large trading company "Vays International Investments," with offices in many western countries, and are now seeking contacts with Ukrainian business circles. The millionaires are pleased with the start of direct flights between Kiev and Great

Britain. In their opinion that will promote the development of international collaboration of Ukrainian business circles with western businessmen.

Our friends could supply Ukraine with the newest computers, provide and ensure the financing of modern technologies in various branches of industry, including the processing of metals, participate in the creation of joint ventures, and deliver food to Ukraine, along with fresh fruit and orange juice. They also have other projects. In turn they would like to purchase metal, coal, and leather from us. They are prepared to import finished products as well.

A few days later our conversation was continued. Lyubashewskiy and Vays telephoned and reported that they have already met with business people in Kiev who were interested in their projects. They received all the necessary information and are hoping to be on our flight to Ukraine again soon. They purchased a samovar produced in Kherson while in Kiev and want to show it to their specialists with an eye to concluding a deal for the delivery of such products to England. They are also willing to import textiles, and other Ukrainian goods, and would not mind engaging in various barter transactions. At the same time our guests said that they will promote establishment of business contacts of investors from the U.S.A., Canada, Switzerland and other countries with Ukraine for the development of its economy.

Cabinet Taps Budget for Disaster Relief Funds

93UN0648B Kiev *RABOCHAYA GAZETA* in Russian
5 Dec 92 p 1

[Unattributed item: "For Those Suffering a Disaster"]

[Text] The Cabinet of Ministers of Ukraine ordered the allocation of 635 million rubles to be used in helping with the liquidation of the consequences of natural disasters which took place in August - September of this year. The indicated funds will be received by the Council of Ministers of the Republic of Crimea—40 million, as well as oblast state administrations: Volyn Oblast—30 million, Ivano-Frankovo Oblast—50 million, Lvov Oblast—150 million, Sumsk Oblast—45 million, Ternopol Oblast—100 million, Khmelnytskyi Oblast—100 million, Chernovtsy Oblast—40 million, and Chernigov Oblast—80 million karbovanets.

France to Provide Assistance to Improve Transportation System

93UN0648C Kiev *RABOCHAYA GAZETA* in Russian
5 Dec 92 p 1

[Article by O. Stadnik: "The French Are Starting to Help Us"]

[Text] A form of business report was presented by Mister Jean-Louis Bianco, the Minister of Equipment, Housing, Transport and Space of France at his meeting with the journalists.

As reported, in accordance with signed agreements, a large and extensive program is foreseen on cooperation and financial assistance for us by the French. First of all we are talking about the agreement, which was secured by the signatures of representatives of the French enterprise "Sotera" and Ukrainian railways. That document provides for concrete cooperation between both sides. By the way, the plan conceived by the French will be partially financed by them as well.

In addition to that an agreement was worked out that pertains to motor transport. According to Mister Bianco that is the first agreement signed by France with a state that once formed part of the USSR.

The French minister noted that his visit to Ukraine was in connection with many of our problems. He emphasized only two, however. One of them is the design for reconstruction and rebuilding of the Borispol Airport by the "Bung" firm. The other matter was indicated as being the organization of control of overflights in Ukraine and other CIS countries.

With respect to questions pertaining to maritime transport the desire was expressed to promote cooperation between ports of Odessa and Marseille in every possible way.

Meeting with state representatives of the Ukrainian side. Mister Bianco also spoke about housing: its building and equipment. The French plans incorporate humane undertakings that are highly needed by us and which were tested many times in other corners of the planet. That includes industrial processing of trash, and restoration of old residential districts, as well as measures for conservation of electric power. Also, construction of housing for the poor. The "etc." point includes one of the plans that once existed for the re-equipment of housing built in the time of Khrushchev.

Completing his talk with the journalists Mister Bianco asked them not to be pessimists—Europe will help.

General Motors Products Available in Kiev

93UN0596B Kiev *URYADOVYY KURYER*
in Ukrainian 9 Dec 92 p 1

[Unattributed news item]

[Text] The firm of General Motors, known around the world, has introduced its automobiles—which may be acquired for dollars—in Kiev. The cheapest model is 30,000 dollars.

Foreign Trade Minister Proposes 'Diplomatic Trade Club'

93UN0596A Kiev *URYADOVYY KURYER*
in Ukrainian 9 Dec 92 p 3

[Article by S. Oleksiyenko: "Ivan Herts: 'A Trade Club Will Help Interchange'"]

[Text] No one, perhaps, can say with precision how many foreign businessmen have visited Ukraine this year. It is even more difficult to name the number of our countrymen that went abroad to set up business contacts. And the results? They were more than modest. We will avail ourselves of statistics that were cited the other day at a meeting of executives of the Ministry of Foreign Economic Ties with trade attachés and councilors of the embassies and official trade representations as confirmation of this.

So then, over nine months Ukraine has sold 129 billion rubles of products abroad (with the exception of the nations that are former republics of the CIS) and exported, according to the data of customs declarations, 2.9 billion dollars worth. The volume of export deliveries was reduced by 19 percent. But what deliveries are these? Ninety percent of them are raw materials, and only seven percent machinery (its share used to be three times as much). Almost half of the export-import operations were barter (formerly 12 percent). The quantity of joint ventures, it is true, has more than doubled; there are 545 today. The amounts of foreign capital investment in their development, and hence the scale of their activity, is unfortunately not considerable—joint ventures put out products and offered services of 46 billion rubles over the nine months.

We will not tire the reader any further with statistics on the foreign economic ties of our nation. All the more so as it reflects, as in a mirror, the crisis into which our economy has gotten. We will say only that both minister Ivan Herts and his first deputy Borys Sobolev cited a statistic at the meeting that is stressed once more: the situation that has taken shape does not meet the interests of not only Ukraine, but also its foreign partners as well. A joint search for ways of rectifying it is thus needed. And without permanent contacts, without the precise, and moreover firsthand, informing of the state of international collaboration, this can hardly be achieved.

We, Ivan Herts indicated, want to find the most convenient forms for regular interchange of specialists from our ministry and their colleagues at embassies and trade missions of foreign nations in Kiev. The creation of a Ukrainian diplomatic trade club under the ministry is indeed being proposed in this regard. New attachés and councilors at the embassy, along with businessmen, will be able to get together and obtain the most complete information on the foreign economic activity of Ukraine, not only from the staffers at the ministry, but also from other ministries and agencies that are affiliated with that sphere.

The trade club is currently operating "under the roof" of the Ministry of Foreign Economic Ties. Special accommodations are expected to be delineated for it in the coming year. The representative of the president in Kiev, Ivan Saliy, has already consented to this.

Mikhail Uzemblo, consul at the Polish embassy, Stefan Vasylo, a trade attaché at the U.S. embassy, and

Tamash Berki, a trade councilor at the Hungarian embassy, have not only supported this plan, but have also made concrete proposals with regard to bringing it to life. The last of these, Tamash Berki, as the senior among the business representatives of foreign countries in Ukraine (not in age, but in experience and profound knowledge of the specific nature of the foreign ties of Ukraine), has been elected president of the Diplomatic Trade Club. Good luck, as they say! The newspaper URYADOVYY KURYER intends to keep its readers continuously informed of business contacts, both of the club itself and outside of its "walls."

Kuchma Urged to Take Steps to Overcome Ecological-Economic Crisis

93UN0652A Kiev *RABOCHAYA GAZETA* in Russian
10 Dec 92 pp 1-2

[Open letter to Ukrainian Prime Minister L.D. Kuchma signed by Professor Yuriy Tunitsa, doctor of economic sciences, academician in the Ukrainian Ecological Academy of Sciences, head of the Department of Efficient Natural Resource Utilization and Environmental Protection of the Lvov State University imeni I. Franko, and director of the International Institute-Association of Regional Ecological Problems: "The Economy and Ecology: Two Wheels on the Same Cart"]

[Text] Dear Leonid Danilovich!

I am impressed by the Cabinet of Ministers' constructive approach to working out a program to deal with the crisis. However, as a specialist and a citizen, I am gravely concerned by the lack of even an allusion to the solution of critical ecological problems as a high priority. Being shocked by the economic decline, it is as if we instantly forgot about their terrible severity and their relationship to our "sick" economy. Generally speaking, economics and ecology are not only words with the same root, coming from the Greek "oikos," they are the house in which we live; they are so interwoven with each other by cause and result relationships that they form a unified ecological-economic system. If we continue to believe that feeding the people is the only important thing (even with ecologically harmful products), we will be committing an error that cannot be rectified which will have detrimental social and economic consequences, since man's need for clean food, water, and air and a healthy natural environment is a physiological and purely material need that is just as important as other economic benefits. For this reason, it is incorrect to consider economic and ecological problems separately from each other and to disrupt the process of their solution.

The Cabinet of Ministers which you head did not acquire extraordinary powers by accident. In my view, it received them because it inherited a deep ecological and economic crisis, not an ordinary economic disaster. This crisis cannot be overcome by traditional methods of state control and the administrative-legal and economic means that are available. A constructive program is

needed to get out of the ecological-economic crisis. Your program can become really fundamental and effective in combating the crisis only when the government has the courage to take outwardly unpopular and drastic steps to practically integrate ecological imperatives in all sections of the economy.

The organic integrity of the economy and ecology as a unified system was theoretically substantiated in the mid-1970's, though we have done nothing thus far to bring about practical realization of this universally recognized scientific thesis, unfortunately.

In the new administrative structure of the Ukrainian president, there is no council or commission on ecological matters. At the same time, for example, the U.S. President and Senate have such structures. Moreover, the United States has two government departments—the Environmental Protection Agency and Department of the Interior [*Ministerstvo prirodnykh resursov*] (this is not a literal translation of the names, but a semantic one)—which deal with these matters. These two federal organs (each state has its own organ as well) manage two key areas of the state's socioeconomic development—the quality of the environment and efficient natural resource utilization.

We in post-Chernobyl Ukraine have only the poor Ministry of Environmental Protection (*Minprirody*), which has no rights, an unfortunate name, and a status that is obscure. The status of Ukraine's *Minprirody* is not adequate for its high responsibility to the public for preservation and improvement of environmental quality and efficient utilization and renewal of natural resources.

As a person with more than 25 years of working professionally on economic-ecological problems, I have been left with the impression that this ministry was established as a screen, behind which something important is supposedly being accomplished at the state level, so that it can actually have "a whipping boy" in the future when the ecological conditions become worse. Inasmuch as you have stated that the Cabinet of Ministers' structure will take shape once and for all in the course of developing the anticrisis program, I want to suggest that the *Minprirody* be renamed as the Ministry of Ecological Safety and Natural Resources (*Minekologii*) and that its status be raised to the proper level. The *Minekologii* should become the same kind of intersectorial state organ with full powers, headed by the vice premier, that the Ministry of the Economy is today.

Nature is the same kind of source of material wealth that labor is; this is what English economist William Petty, father of the labor theory of value, said over 300 years ago. Generations of economists have been repeating this correct thesis for centuries, but they have not been able to put it into practice thus far. Although it is completely clear that the economy and ecology are the two wings of the same airplane, the two wheels of the same cart. And

until the state devotes just as much attention to reestablishing the environmental conditions and natural resources needed by its society as it does to renewal of other production capital, the economy will go around in a circle without moving ahead as it should, even if all the combined factors for its development become substantially more favorable than they are today. The objective economic law of the inevitable increase in ecological costs in the structure of socially necessary production costs, which was discovered in our time, about 20 years ago, will apply.

A conception of the organic unity of ecological and economic problems and inclusion of ecological imperatives in all parts of the economic mechanism and the system of management structures should form the basis of the program to overcome the ecological-economic crisis. All authority and production structures—central, regional, sectorial—should be oriented toward the criterion of ecological-economic effectiveness instead of the traditional criterion of economic efficiency.

I will try to explain this conception a little more simply. If a plant manufactures a needed product and if the technology for its production cannot be changed to reduce pollution of the environment, this normative pollution at the current level of technological refinement must be considered a necessary production "use" of the natural environment conditions and classified as an element and item of production outlays in the production cost of the product being manufactured. This use of natural environment conditions by an enterprise is a real economic element and an item of production costs. In the scientific literature, this element and item are called the ecological costs of production.

Normative ecological costs (pollution or other forms of environmental destruction) are absolutely the same kind of costs as the enterprise's expenses for raw material, fuel, materials, and wages in an economic sense, and purely production costs in accordance with other items.

This was reflected in principle in two decrees issued by the Cabinet of Ministers (No. 18 of 13 January and No. 373 of 7 July 1992). The first one was "On approval of the procedure for determining the fee and setting the payments for pollution..." The second one was "On changes in the decree of 13 January 1992"... It was stated methodologically correctly in these decrees that enterprises' payments for discharges of pollutants and disposal of waste products within the limits set are classified as production expenditures, that is, production cost, and those discharged outside the limits are paid for by the profit remaining at the enterprise's disposal. But the fourth paragraph of the first decree and its new edition in the second decree actually strike out all the provisions of the documents cited. With a reference to the critical state of the economy (one may think that the ecological situation is not in a crisis), the fourth paragraph of these decrees relieves enterprises of payments until 1996, and unprofitable or low-profit organizations may not assume

such obligations to adhere to ecological requirements at all when decided by the soviets of people's deputies at the base level.

Can enterprises really be relieved of production costs by administrative decisions? Especially as we are heading toward market relationships. After all, we do not have raw material, fuel, or energy free of charge. Will the soviets at the local level pay instead of the enterprises? Ridiculous.

And by such ridiculous relief from payment for the "used" part of the natural environment (in the form of technologically forced pollution), we are showing indulgence toward mismanagement and bestowing "a doubtful benefit" upon the enterprise which feels no economic responsibility for the pollution and has no incentive to reduce it and most importantly, upon society, which sooner or later will be forced to pay for this real economic element of enterprises' production expenditures, but from the budget. I am not mentioning the fact that both pollution and excessively intensive use of natural resources are a debt which we owe future generations; after all, we are taking from them, but they also have a right to a clean environment and sufficient natural resources to live. Do we have the right to rob ourselves, our children, and our grandchildren?

For this reason, in working out the government's anticrisis program it is methodologically important in principle to legalize ecological costs. Enterprises with all forms of ownership should realize that such costs exist objectively and they must seek to reduce them through organizational, technical and technological, and other improvements. This will make them think and act. Such an approach will make it possible to rid enterprises of a parasitical psychology and facilitate the transition to a truly market economy; unless ecological requirements are taken into account, this will create a real threat of further intensification of the ecological-economic crisis.

So the second proposal amounts to annulment of the Cabinet of Ministers decrees mentioned above and adoption of new ones—"On economic responsibility and the incentive for enterprises, institutions, and organizations with all forms of ownership to adhere to ecological requirements."

A third position is that it would be simplest, cheapest, and most efficient to resolve our problems fundamentally by borrowing world experience, particularly the American and West German systems for economic protection of the environment, systems which have been adapted to market conditions for a long time. Incidentally, the United States has already incorporated the sale of licenses to manufacturers for the right to pollute the environment on a domestic and interstate (United States and Canada) scale.

Ukraine has the opportunity and it should take advantage of American experience. At several scientific conferences (still Soviet-American) in Moscow and Washington, this writer suggested that we begin an

appropriate experiment. The proposal was supported by the third Soviet-American conference, "Ecology and the Market" (November 1990). On the basis of this, an agreement on implementation of the joint Ukrainian-American project "Economic protection of Ukraine's natural environment under market conditions—'Ekorynok-2000'"—was signed by those in charge of environmental protection in the United States and Ukraine (Messrs. Reilly and Shcherbak) in November 1991. The American side agreed to finance the project with foreign exchange through the International Institute-Association for Regional Ecological problems (MIAREP) under the condition that the experiment in selling licenses for atmospheric pollution is conducted at the same time and coordinated in the neighboring territories of Ukraine, Poland, Slovakia, and Hungary.

Following my 26 November 1991 report on this, the Cabinet of Ministers issued Minprirody authorization No. 2403/87 of 27 December 1991. Two consultative conferences that were held declared implementation of the project to be advisable. The Polish side agreed as well. However, there was no progress. In order to implement the project the appropriate decisions are needed at the governmental and intergovernmental levels. The previous Cabinet of Ministers did not find time for this.

We need not fear that the ecological component of the anticrisis program will require substantial additional funds at the cost of reducing expenditures for economic and social needs. This means sensible distribution of those real resources which we possess, sensible structural changes in the national economic production complex, and greater efficiency in more efficient directions for both domestic and foreign investments.

What needs to be added to the proposals set forth here?

That we provide for expert scientific appraisal and a detailed inventory of the ecologically harmful production facilities and products manufactured by them. That we take decisive steps on this basis to restructure Ukraine's entire production complex, including by conversion of the defense industry in conformity not only with economic requirements, but ecological ones as well. The Cabinet of Ministers should take the legislative initiative in drafting and adopting new environmental protection laws and in incorporating ecology in all economic laws. Questions related to specialists' ecological education and their work assignment should be resolved at the state level. A decree "On ecological aspects of foreign economic activity" should be adopted.

The following should be added to your thesis on the need to make drastic changes in the normative documents which would make the export of goods and services for freely convertible currency more economically profitable: exports need to be made more ecologically beneficial as well. Ecological requirements must be incorporated in normative documents affecting the export and

import of goods and services, as well as foreign investments. We have been forced to give priority and preferences to contracts with an ecological orientation. In standard contracts with foreign partners, we must provide for ecological standards and norms which guarantee ecological safety and improve environmental conditions. The appropriate experience exists in international legal practice, and we are also fully capable of demanding compensation for ecological losses. The foreign businessmen understand us, too.

As an example, the Finnish-German trading firm "Geraldak" stated officially in a letter to Ukraine's Cabinet of Ministers recently that it would seek to help Ukraine in 1993 and the future, within the framework of mutually beneficial collaboration, to resolve its ecological and economic problems by delivering ecologically clean technologies and equipment from abroad, as well as by sponsoring assistance for our ecological organizations in realizing international projects to protect the environment, particularly in implementing the Ukrainian part of a future international project to protect the environment in the Baltic Sea basin. Why not make use of such an approach from other foreign businessmen who are honestly seeking mutually beneficial cooperation with Ukraine?

In the decrees proposed, the Cabinet of Ministers must also provide compensation for Ukraine's ecological losses resulting from the movement of pollutants across the border and the functioning of main oil and gas pipelines and power transmission lines to West European countries, as well as from truck and rail transportation of goods through Ukraine. Some countries are providing themselves with all the energy resources they need because of their geographical location.

The Ministry of Foreign Affairs should step up its preparatory work for Ukraine to submit a draft resolution "On the establishment of new organizational structures for international ecological cooperation" at the 48th session of the UN General Assembly in 1993. This work was begun in April 1992, but it has not been completed. I refer to the drafting and adoption of a World Ecological Constitution—a fundamental legal document which would define the compulsory standards of conduct in relationships between society and the environment for all countries in the world, without exception, as well as to the establishment of appropriate organizational structures to implement the requirements of the Ecological Constitution: a World Ecological Federation—a permanent norm-setting, executive, and monitoring organ similar to the Security Council, whose decisions should be obligatory for all countries; an International Ecological Court; and an International Ecological Bank. Ukraine could obtain a great deal from this.

The limitations of an open letter do not make it possible to set forth in more detail all the possible ways of surmounting the ecological-economic crisis. For this reason, I ask that you seek the opportunity to convene an expanded meeting of the Cabinet of Ministers, with your

personal participation and the attendance of a sizable number of specialists who may be opposed to the measures suggested in this letter. We are prepared to set forth at the Cabinet of Ministers meeting our concept of economic protection for the natural environment under market conditions and the urgent steps to implement this concept.

I fully realize that the Cabinet of Ministers, despite its exceptional authority, will not be able to create an unprecedented program to surmount the ecological-economic crisis without the Supreme Soviet, the president, and most important, without the public. For this reason, I have decided to take advantage of "the fourth estate"—the mass media—to draw more attention to this matter.

Respectfully,

[Signed] Yuriy Tunitsa

Exchange Rates for Ukrainian Karbovanets Set

93UN0652B Kiev *RABOCHAYA GAZETA* in Russian
10 Dec 92 p 1

[Table issued by Ukraine Economics and Currency Nain Administration]

[Text]

Exchange Rate for the Ukrainian Karbovanets Set for Ruble Zone Currencies by the National Bank of Ukraine on 5 December 1992

Ruble Code	Purchasing Rate	Selling Rate
834 (Belarus)	1 to 4,000	1 to 4,500
835 (Kazakhstan)	1 to 4,100	1 to 4,600
836 (Uzbekistan)	1 to 5,000	1 to 5,500
837 (Tajikistan)	1 to 1,500	1 to 2,000
838 (Turkmenistan)	1 to 5,000	1 to 5,500
839 (Kyrgyzstan)	1 to 1,500	1 to 2,000
843 (Moldova)	1 to 3,000	1 to 3,500
844 (Armenia)	1 to 3,000	1 to 3,500
848 (Azerbaijan)	1 to 1,500	1 to 2,000
849 (Georgia)	1 to 1,000	1 to 1,500
853 (Latvia)	1 to 4,550	1 to 5,050
854 (Lithuania)	1 to 2,000	1 to 2,500
858 (Russia)	1 to 5,000	1 to 5,500

Cabinet of Ministers Issues Decree to Overcome 'Payment Crisis'

93UN0652C Kiev *RABOCHAYA GAZETA* in Russian
10 Dec 92 p 3

[Decree issued by Ukrainian Cabinet of Ministers and the National Bank of Ukraine "On Normalization of Settlements with Persons Engaged in Economic Activity

**in Countries Using the Ruble as a Means of Payment":
"To Overcome the Payment Crisis"]**

[Text] In order to maintain existing economic ties, prevent further production recession, and provide for stabilization of the economy, state enterprises, organizations, and institutions should discontinue deliveries of products to countries which use the ruble as a means of payment beginning on 3 December 1992, unless a guarantee is given that payment will be made. In settlements with purchasers from these countries, it is recommended that a letter of credit or advance payment for goods and services be used, through the correspondent accounts in commercial banks, as a rule. Steps must be taken to set penalties for overdue debts.

In order to credit payments for goods and services in a timely manner, the purchasers cited and their contracting parties must be informed without delay of the requirements for correspondent accounts in Ukraine's commercial banks which are opened in banks in the countries using the ruble as a means of payment.

In connection with the record of indebtedness between persons engaged in economic activity in Russia and Ukraine between 3 December and 31 December 1992, organized in accordance with the situation as of 16 November 1992, enterprises, organizations, and institutions must provide for prompt submission of payment authorizations to the banks for goods actually delivered, work actually performed, and services actually provided by Russian enterprises, organizations, and institutions, as well as inform the latter of the need for their representation at the banks for submission of payment authorizations for the goods delivered, work performed, and services provided by partners with Ukraine.

[Signed] Press Service of the Ukrainian Prime Minister

**Authors Comment on Alternative Law on Payment
of Labor**

93UN0578A Kiev URYADOVYY KURYER
in Ukrainian 11 Dec 92 p 5

[Article by Candidate of Economic Sciences Anatoliy Kolot, docent at the Kiev State Economic University, and Hryhoriy Osovyi, supervisor of a group of consultants on issues of protecting the socio-economic interests of the workers, of the Council of Federations of Trade Union of Ukraine under the rubric "Debate": "This Draft Cannot Be Accepted!"]

[Text] Since the publication of the draft Law of Ukraine "Labor Payments" (URYADOVYY KURYER, No. 33), our newspaper has twice given the floor to its authors (see Nos. 39 and 46-47). The proposed document, however, has encountered sharp criticism on the part of a number of scholars and representatives of the Council of Federations of the independent trade unions. They have prepared an alternative draft Law. We have decided to give the floor to the authors of that draft as well for the sake of "fairness."

The current system for organizing wages has completely outlived its time. It does not provide for a standard of living and does not provide any incentive to work.

After the break-up of the command-administrative foundations of the organization of wages, the government has not done very much with regard to the emergence of a new system for them apropos of the requirements of the transitional period. There is complete disarray in the realm of wages as a result, as manifested in its lack of connection with the value of the manpower, the unfounded intersector mutual relations and violations of professional-skills differentiation.

The draft Law on "Labor Payments" that was developed and submitted to the Supreme Soviet, in our opinion, does not create the legislative foundations for the building of a new system for organizing wages that would correspond to the demands of the transitional period to a market economy. Its authors conscientiously fulfilled the orders of the previous government, which demonstrated its inability to accomplish profound economic transformation consistently, including in the sphere of labor. The question of motivations for labor activity were relegated to the background or were not considered at all in the action programs of the old Cabinet in general.

The very name of the draft Law and its conceptual framework are now unacceptable. It has been apparent since the time of Adam Smith that the category that expresses the relation of the buying and selling of the commodity "manpower" is "wages." Labor payments are just the process, an aggregate of certain procedures for accounting for and paying wages. The conventions and recommendations of the International Labor Organization, by the way, have only the category of "wages," and not "labor payments."

Wages are nothing more than the price of manpower, which is formulated with a regard for its value.

At the basis of the value of manpower is a valuation of the socially necessary expenditures for its reproduction and, accordingly, a valuation of the amount of the everyday means required for the normal vital activity of people. The results (that is, the fruitfulness, the utility) of the labor of the owner of the manpower, meanwhile, also affect the value of the manpower. A determination of just which expenditures are valid and socially necessary for the reproduction of manpower is impossible without a regard for the profit impact. The constant comparison of the profit impact, the fruitfulness of the labor, with the expenditures for the reproduction of manpower is made by the market in forming the value of the manpower. This understanding of the value corresponds to contemporary economic science, including the neoclassical theory of equilibrium, which links labor theory of value with the theory of marginal utility.

We beg the readers' pardon for the possibly excessive "theoretization" of the problem, but one cannot construct a conceptual framework for the restructuring of

wages without defining their essence. One would otherwise have to resort to the definition that is given by the authors of the draft law: labor payments are... any wages.

The contemporary idea of wages stripped of overlays and stereotypes is an understanding of their essence as the principal source of the life's goods whose provision is objectively necessary for the reproduction of manpower.

The basic foundations of wages are such elements as the "consumer basket," the minimum consumer budget, the minimum wage, the wage fund, which is determined in accordance with the results of the labor, individual earnings, founded on the skills of the workers, the composition and conditions of the work, attendance and the contributions of each to the collective results. Proceeding from that, considerable reworking of most of the articles of the first and second sections of the draft—where wages are not considered a socio-economic category with the functions of expanded reproduction of manpower, motivation of labor activity, stimulation of scientific and technical progress and the structural restructuring of production, and depend exclusively on the financial capabilities of the enterprise—will be required.

We also cannot agree with the treatment of the essence of the minimum wage and the methods of formulating it that the draft's authors are proposing. Article 16 (Paragraph 1) makes a reference to methods of establishing a minimum wage (an amount regulated by the state below which wages cannot be paid) instead of a definition of the essence of it. A minimum wage, in our understanding (and this corresponds to contemporary economic theory), is the monthly rate scale (or salary) for a worker who does simple work that does not require special training and under normal working conditions. In this sense it has to be the same across the whole territory of Ukraine and not subject to differentiation among sectors. Accounting for differences in the difficulty of work has to be one of the elements of intersector differentiation of wages depending on the working conditions. Furthermore, the draft of the Law is oriented in setting the minimum wage toward taking into account a number of factors that have no specific quantitative valuation, or can be expressed quantitatively only in approximate terms. Both world and domestic experience, at the same time, provide a well worked-out mechanism for setting a minimum wage on the basis of a minimum consumer budget—which, by the way, is envisaged by legislation in force today.

Taking into account the crisis situation in the economy of Ukraine, it would be expedient to institute a special procedure for regulating wages that, possibly, would also envisage the establishment of a minimum wage at a level below the minimum consumer budget. But to neglect its formulation and the establishment of a minimum wage entirely is a socially harmful mistake.

The phrasing proposed by the authors of the draft pertaining to basic and supplemental pay and the sources

for providing it is also not acceptable. It is generally recognized that basic wages are directly linked with the performance of production tasks (salaried functions). It encompasses the scale portion, extra earnings, supplements, premium pay (with the exception of additional payments to the average wage) and bonuses. The additional wages include payments not tied to the performance of production tasks (salaried functions): payments for time on vacation, for time on the performance of state obligations, additional payments to the average wage and time-off assistance, among others. The authors of the draft Law include among the additional wages bonuses, other compensation and other incentive and favorable payments stipulated by collective contract. The payment of these at the expense of enterprise profits is moreover proposed! They are, however, an element of production costs. The source to cover these expenditures, as is generally known, is product cost. The authors of the draft, most likely, believe that the proposed approach will cause a rise in cost. But this measure only leads to a distortion of the structure of wages (an artificial increase in their basic portion). Payments for time of service, material incentives for the results of enterprise operations and material assistance should not be part of wages and be included in cost; they are paid from profits that remain at the disposal of the enterprise.

An important constituent element of the organization of wages should be the holding of negotiations and the composition of a trilateral (state, enterprise, trade union) general rate agreement at the national level and rate agreements at the sector (regional-sector) levels. The list of issues that are the subject of negotiations at the national level, according to the draft, is narrowed substantially, which disrupts the balance between the state and the contract regulation of wages. The terms for the payment of supervisors of enterprises in the state sector, supervisors, specialists and office staff at budget organizations and institutions, the intersector differentiation of wages and the procedure for regulating the consumption fund during the transitional period thus all "dropped out" of the draft.

The proposed document does not envisage the indexing of wages in connection with price increases, and it also contains no mechanism for the periodic review of the minimum wage.

The draft in general is constructed on a series of faulty methodological approaches in relation to the essence of wages and the methods of regulating them under the conditions of the transitional period. The Law thus cannot be accepted in this form.

More on Latest Round of Price Hikes

Government Alleged to Lack Faith in AntiCrisis Policies

93UN0647A Kiev VECHERNIY KIYEV in Russian
26 Dec 92 p 1

[Item by M. Romantsov: "Unofficial Sources Indicate Prices Will Double After New Year"]

[Text] From sources very close to the National Bank of Ukraine we found out that an additional 240 billion in paper money will be added to the 300 billion rubles cash presently in circulation. That is, emission will more than double. This will probably take place in the first ten days of January. It is not difficult to see what the consequences are going to be: a giant leap in the devaluation of the Ukrainian ruble, need for another indexation of the profit of "those operating out of the budget," which the Cabinet of Ministers appeared to have just rejected, and a two-fold one-time rise in prices on consumer goods.

Napoleonic plans for increasing the emission of cash, in part, indicates that the government does not trust the anticrisis measures as such and cannot see any real possibilities of stabilizing the economy, at least, within the immediate future. If even the members of the government lack faith in what they are doing for the further "prosperity" of Ukraine, what have we got left to do but join them?

Trade Unions Demand Pay Increases

93UN0647B Moscow NEZAVISIMAYA GAZETA
in Russian 31 Dec 92 p 4

[Unattributed article: "Decision Made in Ukraine to Significantly Raise Prices"]

[Text] The Prime Minister of the government of Ukraine L. Kuchma, addressing the people of Ukraine by radio and television, called the economic situation catastrophic and declared that prices are being changed to correspond with the sharply increased production expenditures because of the rise in prices for energy sources.

He stressed, in particular, that the price for gas during 1992 increased 100-fold, while that for petroleum rose 300-fold, and the financial system of Ukraine has been almost completely destroyed while inflation is growing steadily.

The government is planning compensation payments for the poorest strata of the population and subsidization of meat and milk, while assuming rigid control over prices for products of monopolistic enterprises.

All of these measures are designed to lead to a lowering of inflation which today amounts to 50 percent a month. It is planned to decrease it to three percent in 1993 and stabilize it in the future as soon as that is possible.

In response to the government decision to raise prices the trade unions of Ukraine called for an immediate increase in wages and pensions and consultations with scientists-economists for a joint search for ways of solving the crisis situation that has developed.

INTERNATIONAL AFFAIRS

Envoy on Diplomatic Work in Benelux Countries

93UN06184 Kiev GOLOS UKRAINY in Russian
25 Dec 92 p 10

[Interview with Vladimir Andreyevich Vasilenko, Ukrainian ambassador to Belgium, conducted by Taras Petriv under the heading "We Introduce Ukraine's Diplomatic Corps": "'Active Participation in European Structures Will Guarantee Protection of Our National Interests'"]

[Text] From the GOLOS UKRAINY dossier: born 16 January 1937 in Kiev. Graduated from the law department of Kiev University in 1959. Upon completion of graduate studies in 1964 became an instructor. Until recently professor at the Ukrainian Institute of International Relations. The author of scientific studies known beyond the borders of Ukraine. Since 1972 a part-time advisor to the Ukrainian Ministry of Foreign Affairs. Has attended many important international forums. In 1986 was head of the Ukrainian delegation at the Vienna Conference on the Law of Treaties Between States and International Organizations. Between 1989 and 1991 served as Ukraine's representative on the U.N. Commission on Human Rights. Wrote first draft of the Declaration of Ukrainian State Sovereignty and was actively involved in the editing of the final text. Holds the academic title of doctor of juridical sciences. Speaks English, French and Russian. Married with two children. Hobby is studying little-known pages of Ukrainian history.

Our interviewee today is Vladimir Vasilenko, Ukraine's ambassador to the Kingdom of Belgium, whose task it is to also represent the Ukrainian State in the Kingdom of the Netherlands and the Grand Duchy of Luxembourg, as well as in the European Communities and the North Atlantic Cooperation Council.

The way in which the embassy he heads functions will to a great extent determine how Ukraine's foreign economic policy is implemented in one of Ukraine's most important diplomatic areas. That is because the Ukrainian embassy will be representing us not only in the Benelux countries, but also in the continent's unique political capital—Brussels, the location of the headquarters of the important international organizations within the framework of which the contours of the "new Europe" of the post-confrontation era will take shape.

[Petriv] Vladimir Andreyevich, there have been some reports in the mass media that supposedly our state cannot open an embassy in Belgium due to a lack of funds, and that Mr. Werner, the NATO general secretary, has stated that Ukraine looks at the world through Moscow's glasses. Are our affairs really in such a discouraging state?

[Vasilenko] I believe that some members of the press either are simply not capable of correctly assessing the situation, or else are not doing their jobs conscientiously and are distorting the information they receive. I have

personally met with Mr. Werner and with his closest associates. I am well acquainted with their fundamentally positive position with regard to cooperation between Ukraine and NATO. Not once has the statement you just mentioned ever been made. Nor have I seen any such statements in official NATO documents, or in the Western press. When speaking in favor of relations with Ukraine as an independent state, NATO representatives emphasize that until our country is permanently represented in the capitals of their states, and in Brussels in particular, the Western world will be looking at it through Moscow's glasses. This refers to systematic attempts by the Russian mass media and officials to distort Ukraine's position.

Despite the very difficult foreign currency situation, Ukraine's embassy in Belgium has been fully financed. But the embassy is not yet officially open. We made a regrettable mistake when we counted on Russia to fulfill its obligations as set forth in the Dagomys and Yalta accords, pursuant to which our state would receive a portion of the former USSR's property in the form of certain office space abroad suitable to house diplomatic and consular delegations. Russia has not yet done so.

Right now the embassy's advance team is in Brussels and has already found office space suitable for ensuring the normal flow of diplomatic affairs. The problem is allocation by the Ukrainian Government of sufficient funds to acquire a building.

I would like to emphasize that we have now defined the embassy's tasks, goals and functions, as well as its structure and staff. We have drawn up normative documents which outline the basic areas for development of Ukraine's bilateral relations with the Benelux countries and its cooperation with the EC and NATO. Steps have been taken with regard to organizational and physical support for the embassy's operations.

[Petriv] What is the size of the Ukrainian delegation's current staff?

[Vasilenko] There will be 10 diplomats working at the embassy in its initial stage of operations. That is the minimum possible number of diplomatic personnel in view of the large volume of tasks and functions for which the embassy is responsible, and also in view of the fact that Ukraine has never had an official presence in this strategically important region. Thus we must begin our work from scratch. In the new year our embassy should have an adequate number of administrative, technical and service personnel, without which normal operations are unthinkable.

[Petriv] What will be your first steps as ambassador?

[Vasilenko] Actually I have already taken those first steps. I have visited Belgium several times and established unofficial contacts with the heads of the Ministry of Foreign Affairs, the EC and NATO, as well as with several representatives of business circles. Since September I have been Ukraine's official representative on

the North Atlantic Cooperation Council. When I arrive in Brussels I will present my credentials to His Majesty Baudouin I, King of the Belgians. That is when my official functions as Ukrainian ambassador to the Kingdom of Belgium will commence. Then, on condition that appropriate diplomatic agreements are obtained, I will present my credentials to the Queen of the Netherlands and the Grand Duke of Luxembourg, as well as to the EC Commission President and the Chairman of the EC Council of Ministers.

After that I will visit with other high-ranking officials in the states of the Benelux and the European Community, and with other countries' ambassadors accredited in Brussels. Most importantly, at the same time I will also be organizing our embassy's operations.

[Petriv] What do you consider the top priority in the embassy's work?

[Vasilenko] Above all to ensure that diplomatic personnel as quickly as possible establish broad contacts with government officials in the host country, with EC and NATO personnel, with parliamentary and business circles, and with representatives of the principal political parties and social movements, so that we can systematically obtain information about the foreign and domestic policy of the Benelux countries and the activities of the EC and NATO.

Ukraine must establish an ongoing political dialogue with the Benelux states at all levels. Priority in that regard will be on highest-level contacts. At the same time it is also essential that we establish full-scale trade, production and financial relations for the purpose of utilizing those countries' economic potential and gaining experience with market economics in order to speed up reforms in Ukraine.

Comparison of the economic potentials and levels of development of individual economic sectors in our state and the Benelux countries within the context of their national interests gives reason to conclude that the priority sectors of economic cooperation must be, first and foremost, agriculture, storage and processing of agricultural produce, energy, the metals and chemical industries, shipbuilding, raw materials extraction, and others. In addition to this, attention should also be focused on obtaining international aid within the framework of EC programs, aid which will be used as an additional means of overcoming our economic crisis.

One special aspect of our embassy's work will be the matter of international guarantees for Ukraine's national security within the context of its nuclear-free status, disarmament and preservation of regional and global peace. This applies primarily to the realm of cooperation with NATO.

[Petriv] Today some political scientists are claiming that European security will depend on the various models for relations between the states of Western and Eastern Europe...

[Vasilenko] Yes, ideas of that nature are being circulated. For example, this spring a European security concept constructed around a German-Russian axis was put forward. That sort of approach would involve an infinitely large number of combinations. But in our opinion it is impossible to create reliable mechanisms for subregional, regional or world security if they are based on domination by certain states and the offsetting of those states against other states. Efforts toward harmony [sic] have always evoked a response, with areas of tension forming in the process. Naturally that undermines international security. Therefore it is essential that we create the kind of security mechanisms in which all states cooperate on an equal footing and which will guarantee each one's security.

[Petriv] How then should one assess other interstate associations in Europe, the Vyshegrad troika, for instance?

[Vasilenko] States have the most diverse interests in various areas. Each of them has the right to serve those interests by any means, including membership in subregional international organizations. The most important things are that such alliances must be based on the principle of equality, not be directed against outside states, not threaten to divide Europe, and not violate the principles of the Conference on Security and Cooperation in Europe. The Vyshegrad troika meets those conditions.

[Petriv] Ukraine has proclaimed a course toward neutrality. Russia and some other republics of the former USSR have signed an agreement establishing a military alliance. Our contacts with NATO are still under development. Does not this unclear position on Ukraine's part threaten its national security?

[Vasilenko] Our country is not presently a permanently neutral state; it merely stated in its Declaration of State Sovereignty that it intends to become neutral, bloc-free and free of nuclear-weapons. But it should also be noted that that document was adopted under one set of historical circumstances, and now other realities exist. Therefore Ukraine faces the task of deciding whether it will be a permanently neutral country or have some other status. But I would like to emphasize that announcement of the intention to be neutral in no way prevents Ukraine from cooperating closely with NATO. Ukraine has been admitted to the North Atlantic Cooperation Council, and consequently it will seek guarantees of its own security through its participation therein. We are opposed to participation in any military-political blocs which could lead to a new division of the European continent. That is the reason why our state has refused to participate in the Collective Security Treaty initiated by Russia. I wish to reiterate that we favor Europe-wide structures which would protect the interests of all states. At the present time Ukraine is searching for its place in Europe and the world.

[Petriv] What you have said refutes the very widespread notion that working in an embassy is an easy life as a representative abroad living at state expense...

[Vasilenko] The work of an embassy is a complex and demanding process, in the course of which the day-to-day efforts of the entire embassy staff are required to solve a broad range of problems. There is no set limit on the work day of anyone on the embassy staff. They bear a great deal of responsibility and significant psychological and physical stresses. The funds that go to maintain embassies are not a waste of the people's money. The functions of any embassy always pay for themselves. It is no coincidence that this institution has existed for several centuries now and is actively utilized by all the states of the world. It is the work of diplomatic representatives which ensures an external environment favorable to the existence of the state, creates the proper conditions for solving its internal problems, and results in the signing of economic agreements and an influx of capital and investment into the country. Therefore one could probably say that if the state did not have embassies, especially in geopolitically important regions, then it would always suffer enormous political and economic losses.

[Petriv] Thank you for the interview.

Reports Related to Ukraine's Hungarian Minority

Impact of Language Law

93CH0276A Budapest MAGYAR HIRLAP
in Hungarian 30 Dec 92 p 1

[Unattributed article including interview with Janos Perduk, office manager of the Cultural Federation of Subcarpathian Hungarians; place and date not given: "Can the Decree Implementing the Language Law in Transcarpathian Ukraine Be Amended?"]

[Text] "The decree that Mikhail Krailo, the Ukrainian president's commissioner in Subcarpathia [Transcarpathian Ukraine], signed recently to implement the Language Law has not entered the stage of practical realization for the time being," Janos Perduk, office manager of the Cultural Federation of Subcarpathian Hungarians (KMKSZ), told our reporter. Among its other provisions the decree states that, in any settlement where an ethnic minority constitutes the bulk of the local population, street names as well as the names of the various state agencies, voluntary public associations, and enterprises must be displayed also in the given minority language, in addition to Ukrainian; that [there] the minority language is also an official language; and that the ethnic minority may freely display its own emblems. As the KMKSZ official explained, the organization that represents the ethnic Hungarians living in Ukraine feels that the otherwise interesting and favorable decree has one serious flaw: Namely, it applies only to settlements where ethnic minorities account for the bulk of the local population. Thus it applies only to the ethnic Hungarians living in Beregszasz [Berehovo], because in most of

the large cities (in Ungvar [Uzhhorod] and Munkacs [Mukachevo], for instance) Hungarians do not constitute majorities.

"I am curious to see what will be decided in settlements where there are, say, 299 ethnic Hungarians and 300 residents belonging to other ethnic groups," argues Janos Perduk "For us it would be much better, and the decree would become really acceptable, if it were to specify 'a significant ethnic-minority population' rather than a majority of the local population," he added. According to his information, the text of the decree will soon be amended in that sense.

Before the decree's adoption, the president's commissioner did not consult with representatives of the KMKSZ. Although the topic was placed on the agenda of the regional [oblast] council that does have a Hungarian caucus, it is too small to be able to influence by itself the council's deliberations. At the same time, the caucus maintains regular contact with Mikhail Krailo. The politician is accessible to the Hungarian minority, Janos Perduk said.

Emphasizing that he was expressing his own impressions, Perduk said that he did not notice any significant change in the lives of Ukraine's ethnic Hungarians following the country's independence. Admittedly, the problems are afflicting not just the ethnic minorities. After all, the uncertainty, the continuous government crisis and the difficult economic situation are posing problems for everyone. Citing an example, he said that while the price of meat was already 1,100 coupons per kilogram, there are retirees in the villages who are getting pensions of merely 400 to 450 coupons a month. Anyhow, he declared, the fact that there is and has been peace and quiet in Subcarpathia, without any communal clashes, provides ground for hope.

Help From Hungary

93CH0276B Budapest MAGYAR HIRLAP
in Hungarian 17 Dec 92 p 9

[Text of a letter by Emil Landovskiy, chairman of the Uzhhorod Municipal Council: "We Were in Trouble, and They Came to Our Aid"]

[Text] On 17 November, the Ung [Uzh] River unexpectedly overflowed its banks and flooded the right-bank section of our city. Fourteen residential buildings collapsed, 24 became uninhabitable, and more than 150 were damaged. Our losses amount to several billion rubles.

The mayor's office of our sister city, Nyiregyhaza, was the first to aid the distressed. A shipment of food and medicine arrived within two hours after our appeal for help. Along with the shipment, firemen from Zahony likewise arrived. Firemen were quickly dispatched also from Nyiregyhaza after our radio appeal. For 20 hours they kept pumping water from the cellars of flooded buildings.

We take this opportunity to thank them for their selfless help. It has been demonstrated once again that we can rely on our neighbors not just for better, but for worse as well.

Changing Ethnic Balance

93CH0276C Bratislava SZABAD UJSAG in Hungarian
18 Nov 92 p 3

[Unattributed article: "Ethnic Balance in Danger; Concern in Transcarpathian Ukraine"]

[Text] Ukraine is seeking the road leading to the community of European nations, rather than enemies or confrontation. Maintenance of its armed forces is an increasing burden on an economy already in a difficult situation. The only logical solution would be sensible cuts in the strength of the excessively large armed forces.

Military units are stationed at present in practically every city, and whole city districts have been built to accommodate them. That is the situation in Beregszasz [Berehovo] as well, and there are now plans to build more housing there for the army. In conjunction with those plans, the Cultural Federation of Subcarpathian Hungarians [KMKSZ] Presidium has published an open letter to Ukrainian President Leonid Kravchuk, in which it voices its twofold concern.

First, the KMKSZ Presidium is concerned because not a word is being said about a possible reduction in the troop strength in the city: the proposed 250 housing units for officers are to be built within two or three years. Second, the KMKSZ Presidium is concerned about the ethnic balance in Beregszasz. It fears an intensification of political tensions that accompanies every immigration. To change through immigration the ethnic balance in the only city of Subcarpathia [Transcarpathian Ukraine] where ethnic Hungarians constitute a majority—argues the open letter of the KMKSZ Presidium, published in KARPATI IGAZ SZO—is contrary to the principles of minority policy that the Ukrainian state has incorporated in its Minority Law and several international documents. All this could lead to an intensification of communal differences.

It is to be feared that the difficult economic situation, the large number of unemployed persons, the overpopulation caused by immigration, failure to solve the ownership of land, the rapid enrichment of a narrow stratum through unauthorized privatization, the general pauperization of the masses, as well as the government's inability to cope with these problems, will produce a level of tension that will soon exceed the manageable limit—worries the KMKSZ Presidium.

In Subcarpathia, every person with a sense of responsibility is aware that every tension-generating action—and the immigration of military personnel unquestionably qualifies as such—is a step closer to a communal explosion. Therefore the KMKSZ Presidium requests the Ukrainian president to provide information about the strength of the troops now stationed in the region, what increases are being planned in their strength, and on the basis of what concept of military policy does the government intend to regulate the size and composition of the troops stationed there.

BELARUS**Government Closes Commercial TV Channel**

93UN0667B Moscow NEZAVISIMAYA GAZETA
in Russian 5 Jan 93 p 2

[Unattributed item: "A Channel Closed in Belarus"]

[Text] The eighth commercial channel of the republic TV has been closed as of 1 January in accordance with an order from Vyacheslav Kebich, the prime minister of Belarus. In a live broadcast of speeches by heads of commercial "Ramos TV," MMS, and TMK television companies on 31 December, the viewers were informed of the closing of the channel "for technical reasons," as indicated in the order. The eighth commercial channel has been repeatedly criticized in the Belarus Supreme Council for propagandizing the cult of cruelty and force. According to the heads of the television companies the decision to close the channel was totally unexpected by them and disrupted creative plans of the companies. In part, it was planned to produce daily programs using materials from world news services and programs for January have already been prepared. As indicated by Aleksandr Stupnikov, head of the "Ramos TV" Company, this illegal decision disrupted special programming just before the Orthodox Christmas Eve with participation of His Holiness the Exarch of All Belarus Filaret. Earlier the only independent programming of the "NIKa" ("News, Information, Commentary") national television company was also closed.

Ninety percent of programming at the National Television Company of the Republic of Belarus presently consists of official news, folklore material, and Belarus symphonic music. "Postfactum."

Results of Shushkevich China Trip Summarized

93UN0667A Moscow IZVESTIYA in Russian 13 Jan 93
Morning Edition p 1

[Article by V. Skosyrev: "Visiting China S. Shushkevich Gains Respect for Its Leadership"]

[Text] The visit of S. Shushkevich, chairman of the Supreme Council of Belarus, to China has come to an end. He received a warm welcome there. In addition to talks with Premier Li Peng and Jiang Zemin, general secretary of the Communist Party of China, there was also a meeting with Yang Shangkun, president of the People's Republic of China, even though he was undergoing treatment in a hospital at the time.

The signing of documents, traditional in ties between the People's Republic of China and CIS countries, which included a joint declaration, a consular convention, and an agreement concerning protection of investments, resulted from these negotiations. The words of the speaker of the Belarus Parliament to the effect that his concept of China and Chinese leaders following the trip underwent a big change, also sounded traditional.

There is no doubt that the ability to be surprised is a laudable quality. It is, however, impossible to understand why S. Shushkevich, like some other visitors from the CIS, believed, for instance, that the leadership of the Communist Party of China is prisoner to concepts of a class struggle and the leading role of the proletariat. He was preparing for just this sort of a discussion before his meeting with Jiang Zemin.

It turned out that the interlocutor was interested in real economic problems: labor productivity, improvement in the living standard of the Chinese, elimination of the wage leveling factor, and the profitability criteria. S. Shushkevich noted that he left the Central Committee residence highly impressed with the intellect of the general secretary.

Acquaintance with the special economic zone (SEZ) at Xiamen was highly productive. After studying the laws and decrees operating in the SEZ Shushkevich came to the conclusion that according to the local criteria the entire Belarus is a free economic zone. In Belarus, for instance, just as in the Chinese SEZ, enterprises may have a foreign currency account, sell their products to foreigners independently, and send workers abroad with a minimum of formalities.

In our case, in the CIS, however, these rights are frequently used by people who are interested not in a rise in production but in personal gain. As a result trade flourishes but industry is slipping. In the opinion of Shushkevich the Chinese acted wisely in granting benefits to enterprises connected with the foreign market, while gradually, step by step, checking what effect was produced by that. Thanks to such an approach the Chinese are able to obtain foreign currency and ensure an influx of foreign investments, even while working with outmoded equipment. In our case, in the former Soviet Union, benefits were granted right off, on a wholesale basis, which was a mistake.

Turning to Belarus realities, the speaker pointed out that the draft law on free economic zones which was worked out earlier is unsuitable and must be radically reworked.

The journalists were interested whether cooperation with China would extend into the military-technical sphere. The speaker did not provide a direct answer to that question, referring to the need to protect trade secrets. Belarus, however, did relay some proposals to China in that regard.

As far as trade is concerned, there is displeasure in Minsk with the fact that "BelAZ" and "MAZ" vehicles are being sold to China by other CIS countries. That is why measures were initiated to establish direct trade ties with China.

MOLDOVA

Trans-Dniester Reinforces Border Control

93UN0653C Moscow NEZAVISIMAYA GAZETA
in Russian 31 Dec 92 p 2

[Text] In entering the territory of the self-proclaimed Trans-Dniester Republic on the eve of the New Year, one sees border posts. As the republic's Ministry of Defense press center announced, strict control will be exercised at all four border points beginning on 1 January. There are now over 300 border guards, and they all are well-armed, the ministry emphasized.

Sangeli Discusses Future Economic Measures

93UN0655A Moscow NEZAVISIMAYA GAZETA
in Russian 29 Dec 92 p 3

[Report by Aleksandr Tago on Moldovan Prime Minister Andrey Sangeli's press conference remarks: "The Premier Supports Economic Cooperation Within the CIS"]

[Text] Moldovan Prime Minister Andrey Sangeli stated at his press conference in Chisinau: "The government has submitted its plan for future actions to the parliament for its consideration. With its help, we are counting on achieving modest successes this year."

The premier stated that he does not rule out the possibility of emergency measures to overcome the economic crisis. He believes that such steps are necessary, even if they are unpopular.

He stressed that the principal task in 1993 is to stop further production recession in the main sectors of the national economy and to stabilize the economy. In his words, Moldova is prepared to cooperate with all CIS states to bring this about. He advocated restoration of economic cooperation within the framework of the CIS. As far as political and military problems are concerned, he stated that as before, Moldova will not take part in their analysis and the signing of documents on these matters.

Andrey Sangeli also urged the quickest possible political settlement of the Trans-Dniester conflict. He noted that the new government has been able to restore the economic ties that were broken between the two banks of the Dniester, although problems exist in the financial system. In the premier's opinion, they are linked with intervention by the Central Bank of Russia, which is opening correspondent accounts for the Tiraspol and other banks in the Trans-Dniester, thereby undermining Moldova's unified credit and financial system.

Sangeli emphasized that Moldova will continue to insist on unconditional withdrawal of Russia's 14th Army from its territory, and he expressed the hope that this problem would be resolved during the next round of Moldovan-Russian talks which will take place in Moscow at the beginning of 1993.

New Official Pay Rates Set

93UN0653B Moscow NEZAVISIMAYA GAZETA
in Russian 29 Dec 92 p 4

[Unattributed report: "How Much Does a Servant of the People Cost in Moldova?"]

[Text] The Moldovan Parliament has given itself a Christmas present. New rates have been set for salaries, the amounts of which depend on the minimum wage in the republic (1,700 rubles) [R]. Taking into account the corresponding equivalent, it turns out that the monthly salary of the president is now R44,200, the chairman of parliament receives R35,700, and the prime minister receives R34,000.

The salaries of the chairmen of permanent parliamentary commissions have been set at R23,800, the commission members receive R17,000, and deputies' allowances when the parliament is in session add up to R8,500 per month.

Russian Journalists Refused Accreditation

93UN0655B Moscow KOMSOMOLSKAYA PRAVDA
in Russian 6 Jan 93 p 2

[Report by the Republics Section of KOMSOMOLSKAYA PRAVDA, preceded by reproduction of Moldovan Ministry of Foreign Affairs document: "Our Arkady Has Become 'Non Grata'"]

[Text] Ministry of Foreign Affairs, Republic of Moldova

The Ministry of Foreign Affairs of the Republic of Moldova informs you that it does not consider it possible to accredit Mr. A. Khantsevich as a correspondent for the newspaper KOMSOMOLSKAYA PRAVDA in the republic's territory.

At the same time, the MID [Ministry of Foreign Affairs] is not denying accreditation for your printed publication by any means, and suggests that you consider another candidate for accreditation in the Republic of Moldova.

Respectfully,

[Signed] First Deputy Minister I.K. Chebuk

A similar "honor" was bestowed upon journalists from PRAVDA and NEZAVISIMAYA GAZETA, along with our correspondent.

Yesterday we asked I. Chebuk to give some reason for his decision. The deputy minister responded: "At one time I worked as first secretary of a party rayon committee and I sense the mood of the masses: if Khantsevich is accredited, all the Moldovan people, not to mention the parliament, will perceive this as spitting in their face."

At the same time, the deputy minister expressed the deepest respect for the newspaper and the most profound

regret with respect to the document he signed. "I only signed it, you understand. Everything was predetermined beforehand. The MID was only presented with a fait accompli."

But who "presented" this to the deputy minister and ordered him to hastily sign the letter? Judging by the information available to us, this was the work of the Moldovan VS [Supreme Soviet] Commission on Glasnost and its chairman, (Valeriu Mateia), personally.

The Russian Federation Ministry of Foreign Affairs was surprised to learn of the journalists' misfortune. "The Moldovan correspondents in Moscow continue to work as they have before, and it never occurred to us to place any obstacles in their way," stated L. Parkhomenko, head of a section in the Russian MID Department of Press and Information. "But beginning on 1 January, we are considering representatives of publications in CIS countries as foreigners. Though only correspondents from Belarusian and Ukrainian newspapers have sent us applications for accreditation thus far. I think the MID will consider retaliatory measures with respect to Moldovan journalists in Moscow. If a request for accreditation is received from them, of course."

We would not want to see these retaliatory measures taken. After all, readers in Russia and Moldova will be the main ones to suffer as the result of ill-considered actions "answering for glasnost." But they are the ones who have suffered enough already.

Republican Party Conference Issues Statement

93UN0653A Moscow NEZAVISIMAYA GAZETA
in Russian 6 Jan 93 p 3

[Text] The appeal adopted by the Moldovan Republican Party for its founding conference has been distributed in Moldova.

In particular, the appeal states it would be advisable for Moldova to establish a centrist party able to unite Moldovan residents, regardless of their ethnic background and political orientation. The Republican Party is undertaking the task of establishing a legal democratic state, achieving real independence and integrity for the Republic of Moldova, and ensuring observance of human and civic rights, regardless of one's ethnic extraction.

Among its economic objectives, the party is giving top priority to the acceleration of privatization, support for private business, encouragement for Western investments, and stimulation of free enterprise.

Latest Political Infighting Surveyed

93UN0656A Moscow ROSSIYSKIYE VESTI in Russian
12 Jan 93 p 2

[Article by Sergey Karkhanin: "A Test of Peace: Interethnic Political Conflict Flares Up in Chisinau and Tiraspol"]

[Text] The bursts of machinegun fire abated on the banks of the Dniester as it turned out that neither one of the hostile camps are monolithic by any means. Retirement of the noted "hawks"—generals Kostasha and Plugaru—from ministerial posts in Moldova substantially weakened the positions of the People's Front, which essentially has become "the war party," but its adherents do not intend to retreat. And it is no coincidence that Moldovan President Mircha Snegur recently stressed in one of his speeches that there are forces in the republic which are dissatisfied that the war in the Dniester region has ceased. They would like to fight until victory. These people, Mircha Snegur pointed out, never took part in combat actions themselves. Neither can it be disregarded that Russia's 14th Army, one of the strongest not only in Europe, but the world, practically went over to the Tiraspol side, in Snegur's words. The president noted that most of the armed outbreaks in the republic took place in its absence. I have not unraveled this complex mystery yet, he said.

Mircha Snegur denounced Romania's intelligence chief, (Virgil Meguriana), who stated recently that Romanian intelligence services will do everything to ensure that Bessarabia is annexed to Romania. The Moldovan head of state believes that the Romanian president shares the viewpoint of Moldovan leaders, who are pursuing a policy of independence. Romania was the first foreign state to recognize the independence of the Republic of Moldova.

But we must think that the head of Romanian intelligence knew what he was talking about. It is hardly coincidental that detachments of volunteers who fought in the Dniester region are acquiring legal status now, that the army's combat might is increasing, that common communications and transport structures are being established with Romania, and that Romanianized education of children has been increasing at a truly rapid pace. In other words, it is very possible that adherents of the idea of "Great Romania," by not listening very closely to the words of their president, are having it their own way without prior arrangement, so to speak, and the political independence of the Dniester region is the main thing standing in the way. As stated in the draft agreement between Chisinau and Tiraspol prepared by Moldovan politicians, the status of the "Trans-Dniester Self-Governing Territory," under the leadership of a prefect from Moldova, has been prepared for it. They have rejected the draft on the Left Bank, stressing that they insist on sovereignty for the region.

However, internal political passions in Tiraspol are boiling hot as well. Mikhail Bergman, the city commandant, continues to hurl accusations left and right at the Dniester region leaders, and General A. Lebed sent a parliamentary commission copies of documents attesting to "the corruption" of a number of Tiraspol government officials. However, none of these accusations were confirmed, but on the other hand, materials were received by competent Russian organs concerning Bergman himself and Western intelligence services...

Even the chairman of the Supreme Soviet, Grigoriy Marakutsa, could not do without the internecine thrusts: he reported that opposition supporters attempted to recruit him to take part in an antigovernment plot. And Sergey Manukyan, director of the Tiraspol "Odema" Joint-Stock Company, was even named as a candidate for the post of prime minister.

There has been a crack in the dissidence which has divided the current leaders of the Dniester region and the opposition. Galina Andreyeva, leader of the Women's Strike Committee in Tiraspol, and Svetlana Migulya, chairman of the Women's Union "For the Dniester Region," organized many sensational and effective actions together in the struggle for the independence of the Left Bank. It was precisely through their efforts that the women's movement has become so authoritative and powerful and that politicians not only in Tiraspol, but Chisinau as well, listened to the women's voice sufficiently to remember the blockade of the railroad which made it possible to free Igor Smirnov, the current leader of the Left Bank, from a Moldavian jail. But now the former allies and friends are on different sides of the barricades: Svetlana has joined activists in the opposition, but Galina seeks to have her removed from her post in the Women's Union for this at a special session of the union which government supporters are calling for...

The motive springs for what is taking place on the Left Bank are no secret to anyone, either. The resolute course toward independence chosen by the region's present leadership has ceased to be convenient for certain major industrialists, who are prepared to sacrifice the sovereignty of the Dniester region for the sake of economic

advantages in cooperation with Romania and Moldova. The abortive attempt at a military coup in Tiraspol in the fall showed that opposition forces do not intend to feel shy where funds are concerned. And it is no coincidence that they are seeking contact with Russian military and industrial generals so persistently, counting on their support in the struggle with Igor Smirnov's government, which insists, among other things, that the 14th Army not leave the Left Bank until the threat of Moldovan aggression on the Dniester is eliminated. Aleksandr Lebed, named "the man of 1992" on the Left Bank as the result of a readers' poll in one of the Tiraspol newspapers, has sided with the opposition precisely because this position by the Tiraspol leaders evidently does not suit him.

Be that as it may, the political internecine conflicts in Chisinau and the administrative center of the Dniester region are not contributing to stability, and hence to strengthening of the fragile peace in the region, a land which has seen much bloodshed. Nevertheless, the leaders of both republics are not limited in their concerns by internal problems, by any means. An agreement was signed in Chisinau under which the United States will provide Moldova with material aid—it will receive 100,000 metric tons of grain free of charge. And the Dniester region, together with Gagauzia, intends to send Abkhazia humanitarian aid, including medicines, foodstuffs, and baby food valued at over 5 million rubles, as well as a field hospital to accommodate 500 patients. Taras Shamba, president of the Executive Committee of the International Congress of the Abkhaz People, has also stated that Abkhazia, the Dniester region, and Gagauzia intend to expand cooperation in all fields, including the military field.

ARMENIA

Contact With Turkey, Iran To Ease Blockade

93US0281A Moscow NEZAVISIMAYA GAZETA
in Russian 30 Dec 92 p 3

[Article by Armen Khanbabayan: "Armenia Wants To Break Through the Blockade and Is Searching for Outlets to the West and to the South"]

[Text] This winter will be much more difficult in Armenia than the last one: the energy crisis is more and more clearly acquiring the features of a catastrophe; industry is on the verge of stopping and transport has already halted. They are convinced in the republic that the traditional lines of communications through Georgia and Azerbaijan will remain inaccessible for a long time. That is why Armenia is trying to enliven contacts with Ankara and Tehran; in both cases, the subject concerns economic ties. Yerevan is gently, but persistently, trying to get around the existing political contradictions, assuming—not without justification—that gradual strengthening of economic cooperation will in the future also affect the political situation. Arman Kirakosyan, Armenia's acting minister of foreign affairs, participated in a conference of Black Sea basin countries in the Turkish city of Antalya where he met twice with his Turkish colleague, Khikmet Chetin. The Armenian delegation wanted to accelerate the delivery of electrical power to the republic; an agreement about this has already been concluded but it is not being carried out. Khikmet Chetin explained that this was due to poor weather conditions and technical difficulties but the impression took shape in Kirakosyan that nothing would be managed here without politics and that Azerbaijan's dissatisfaction, on the one hand, and the problems between Yerevan and Ankara, on the other hand, were the true reason for the agreement's breakdown. True, in the words of the director of the Armenian foreign policy department, Turkey is not proposing the establishment of diplomatic relations and Armenia's rejection of the "Ay data" idea, that is, the entire complex of questions connected with the 1915 genocide, as the main conditions. However Ankara is continuing to insist that Armenia review its position regarding Nagorno-Karabakh. If one considers that Turkey and Azerbaijan, according to Kirakosyan's testimony, are putting up a united front in all international forms, Armenia's striving not to link the expansion of economic relations with its Western neighbor with the Karabakh question appears to be almost impossible to achieve in practice. That is why it was said to the Turkish minister that, if Ankara puts obstacles in the way of the agreement to deliver electric energy, Armenia will be forced to resume work on the nuclear power station—considering the high seismic activity in the region, this is capable of becoming in time the cause of a very large ecological catastrophe in the Near East. At the same time, Khosrov Arutyunyan, Armenia's prime minister, sent a letter to his Turkish colleague, Turkey's Prime Minister Demirel. In it, he suggested opening the railroads of both states to mutual

use. In this case, Armenia would receive an opportunity to use Turkish lines of communications, especially the Black Sea ports, and Turkey would be able to export its products to all CIS countries and the Far East over the Armenian railroads. However, no reply to this proposal has yet arrived from Ankara.

Whereas relations between Armenia and Turkey were previously far from idyllic, Yerevan's relations with Tehran have good prospects. This conclusion follows from the report of Vice-President Galik Arutyunyan, who, having visited the Iranian capital at the end of December, conducted negotiations there with Iran's president, Hashemi-Rafsanjani. In the words of Galik Arutyunyan, never had he had an occasion to be on such a strenuous but fruitful out-of-town assignment. The Iranians were interested in expanding multilateral ties with Armenia and in establishing peace in the region and normally functioning communications. However, more than 20 treaties previously concluded between the parties on these matters are still not operating in practice. Arutyunyan was convinced in Iran that the reason for this is a disappointing misunderstanding. In the opinion of the Iranians, the blockading of railroad consists for Iran on Azerbaijan territory occurred due to Armenia's fault. The vice president furnished evidence to the contrary and it completely satisfied Tehran. After this, the negotiations acquired, in his words, a warm nature. In particular, the parties agreed to intensify the work to construct a permanent bridge across the border river of Araks and to stimulate border trade (incidentally, the leadership of the Iranian Azerbaijan province was also extremely interested in this), increase the flow of transit goods, arrange regular air service from 1 April of next year, and open Iran's Caspian ports for the transfer of Russian fuel to Armenia in view of the railroad blockade by Georgia. The construction of a gas pipeline from Iran to Armenia and the establishment of a joint state system for seismic protection is in the future. According to the estimate of both sides, the present negotiations were a break-through in Armenian-Iranian economic, yes, and political, relations; contacts with the Armenians will be closer and more stable, especially if one considers Armenia's interest in the Iranians' active participation both in the discussions with the Nakhichevan leader, Aliyev, and in the settlement of the Karabakh conflict.

GEORGIA

Russians Claim No Need for Protection

93US0282A Moscow IZVESTIYA in Russian 11 Jan 93
Morning Edition p 2

[Article by Besik Urigashvili, IZVESTIYA: "Most Russians in Georgia Believe that Their Political Rights Are Not Infringed Upon"]

[Text] Seventy-five percent of the surveyed Russian population of Tbilisi do not approve of presentations by a number of the deputies of the Russian Federation

Supreme Soviet, some members of the Russian Government, and ranking military men in which the need to defend Russians in Georgia is stressed.

Quota sampling was used in the survey, which was taken in late 1992 and early 1993 by the Democracy and Rebirth foundation, the Institute of Demography and Sociological Research of the Academy of Sciences of Georgia, and the public organization Slavic House. Some 457 respondents representing all strata of the Russian population of Tbilisi, including families of servicemen, were polled.

An overwhelming majority of the Russian population of Tbilisi believe that both Georgia and Russia have a vested interest in close mutual relations with each other. About 80 percent of those polled are convinced of that. Some 88 percent of those polled unambiguously answered "no" to the question of whether Russians in Georgia need active measures on the part of Russia to defend their rights. Four percent believe that the answer is "yes," and the rest have difficulty answering. Sixty-eight percent of those surveyed believe that their civil rights are being upheld; 23 percent have difficulty answering this question; seven percent believe that their rights are infringed upon.

At the same time, the survey indicated that the propensity among Russians to migrate is quite high. Only 58 percent of those polled associate their future with Georgia, whereas 31 percent are thinking about returning to Russia or emigrating to other, mainly Western, countries. The rest have not made a determination yet. An overwhelming majority of those wishing

to leave attribute this to political and, most of all, economic instability and uncertainty in Georgia.

Meanwhile, few major politicians in Georgia count on the economic and political situation improving against the background of ongoing war. Despite the fact that on the eve and during the initial days of the New Year Georgians achieved certain success at the front, a decisive advantage is not in the cards. The aggravated political confrontation in the upper echelon of power in Georgia is superimposed on the exhausting hostilities in Abkhazia. Minister of Defense of Georgia Tengiz Kitovani continues, to put it mildly, to criticize the parliament and the head of state. So far nobody has responded to him, but an extraordinary session of the parliament has been scheduled for 12 January "in view of the difficult situation."

Simultaneously, crack Russian paratroopers and spetsnaz personnel continue to arrive in Georgia under the guise of draftees. Some well-informed observers and journalists are talking about a coup being prepared. A politician close to the entourage of the head of state directly accused the military circles of Russia of plotting a coup. He stressed that he has knowledge of some facts but wished to remain unidentified. He responded to a question on Russia's interest in this matter: "They wish to install a puppet such as Dudayev here; they want to reduce the idea of independence to the absurd so that the worn-down people of Georgia will crawl to them on their knees. Shevardnadze infuriates and irritates them. This is why they want another person who is more suitable for this thankless role."

The next two months will show whether this supposition is the product of a sick mind or not.

BALTIC STATES

FBIS-USR-93-008
23 January 1993

ESTONIA

Foreign Trade Statistics Cited

93UN0515D Tartu POSTIMEES in Estonian 29 Oct 92
p 7

[BNS release: "Estonia Has Negative Trade Balance"]

[Text] Estonia's foreign trade balance turned negative after customs statistics started reflecting fuel imports done by Eesti Kütus [Estonian Fuel].

Earlier reports from the Customs Office showed that exports exceeded imports by 104 million kroons in July, and by 72 million kroons in August.

After recalculating the figures for the third quarter, the Customs Office found that the actual import total was

Exports (percentage)		Imports (percentage)	
Timber and timber products	11.6	Fuel, oils	25.0
Cotton, cotton cloth	10.0	Equipment, boilers	11.1
Print products, paper money	8.6	Means of transportation	9.5
Metal and metal products	8.2	Print products, paper money	9.5
Milk and dairy products	7.5	Electric machinery	

ESTONIA'S CHIEF TRADING PARTNERS IN SEPTEMBER

EXPORTS	
Finland	
Sweden	28.0 %
Ukraine	10.0 %
Germany	9.5 %
Other states	4.5 %
IMPORTS	31.4 %
Finland	
Sweden	32.4 %
Germany	7.3 %
Great Britain	6.0 %
Other states	4.3 %
	18.0 %

Soldiers Assess Training at Finland's NCO School

93UN0503B Helsinki HELSINGIN SANOMAT
in Finnish 25 Nov 92 p B 8

[Article by Sven Wikstrom: "Estonians Hone Military Skills in Taipalsaari"]

[Text] The last stages of maneuvers for Estonians wearing the gray uniforms of the Finnish Army concluded on Tuesday in the pine forests of Taipalsaari. The half-year course at the Leadership Training Center will

1,699 million kroons, against an export total of 1,679 million kroons, leaving a deficit of 20 million kroons.

The Customs Office totals reflect goods subject to border duty, and do not account for exports of gas and electric power supplied via pipelines. Services and capital transfers are also not included.

For the month of September, according to the Customs Office, Estonia's exports were 521 million, and imports 588 million kroons. According to the Bank of Estonia, however, imports of natural gas amounted to 27 million, and exports of electric power 86 million kroons, which will reduce Estonia's foreign trade deficit for September to 8 million kroons. Re-export makes up 8 percent of all exports.

The exports/imports for September consisted largely of the following commodities:

terminate two days before Christmas. Real-life applications will commence after the holidays in the Estonian defense forces and border patrols.

These NCO's, destined to become instructors of instructors, believe they will accomplish their difficult task. Forces have to be built up out of nothing and Estonian youth must be given anew the inspiration to desire service in the military.

"It will certainly take time," say Master Sergeant Martin Priit, aged 21, and Sergeant Major Margus Rebane, 24.

A total of 20 Estonians have had training in Finnish military training centers. In September, 10 men began attending a two year course at the Cadet School. Another 10 began a half-year course at the Leadership Training Center last summer.

Headquarters press corps director Jussi Viljanen says that no decisions have been made about more courses for Estonians at the Leadership Training Center. "Yes, the matter has been discussed."

All three of the 10 attending the Leadership Training Center in Lappeenranta who have served in the border patrol will continue at the Border Patrol Training Center after their current training ends. Confirmation of acceptance arrived in Lappeenranta a few days ago.

"We will train squad leaders for border patrols there," MSgt Martin Priit says about his future duties.

Prior to coming to the Leadership Training Center Priit served in the border patrol for a half year. He has not served a tour of duty in the Soviet Army.

Sgt. Maj. Margus Rebane has a two-year tour of duty in the Red Army behind him plus specialized training in reconnaissance missions as part of an airborne force.

Of his future duties he knows only that such a position is offered in the Estonian defense forces.

"We will have some type of a training session yet in Estonia where our past training will be taken into consideration. Duty assignments will be made only after that," reckons Sgt. Maj. Rebane.

Rebane felt that the six-month course at the Leadership Training Center was sufficient. Martin Priit would have liked a longer course.

The director of the Estonian course, Captain Max Sjoblom, feels that this difference in opinion is understandable.

"One of the problems in drafting this training program has always been the varying levels of preparation. Some have a background in basic military service, others do not."

Sjoblom feels that the course has attained its objectives well. He states his opinion: "Yes, they will be good instructors."

Margus Rebane feels that throughout the course at the Leadership Training Center he has been learning things that he needs to know as an instructor in the defense forces of a small country.

"In the Red Army men are trained for very highly specialized duties. Nobody is taught anything about the overall picture and control aspects."

Trainees are also treated differently here than in the Red Army. Rebane believes that the humane, Finnish-style training will gradually dispel the fear and memories of the Red Army.

"Ten to 15 years from now, at the latest, Estonian youth will again want to do basic military service," Priit and Rebane believe. "Some will want to even earlier."

Tartu Agro-Bio Firm To Make Vaccines

93UN0516D Tartu POSTIMEES 27 Nov 92 p 3

[Article by Vilja Kallaste: "Soon There Will Be Enough Vaccine For the Whole Baltic Region"]

[Text] At two o'clock yesterday afternoon, the production plant of Eesti Agrobiokeskus [The Estonian Agro-Bio Center] was introduced to the state-level commission visiting Tartu.

Juri Kumar, director of the Agro-Bio Center told POSTIMEES yesterday that the production plant was set up

with the idea that we have enough knowledgeable people in Estonia, who are capable of developing and producing animal vaccines.

The plant of the Agro-Bio Center will be producing vaccines for animals. Laboratory samples of vaccine have already been prepared against red fever in swine and, by mid-December, the Rõõmu Street plant should be producing vaccine and serum against red fever. In the course of the operations, vaccines and serums for other diseases will be added, as science permits, and market demand warrants.

Juri Kumar thought that, by the middle of next year, the Tartu plant can produce enough red fever vaccine for all the Baltic countries. Cooperation is maintained with colleagues in Lithuania and Latvia so as not to duplicate each other.

The production plant employs 5 to 6 people. The Tartu vaccines sell significantly below world market prices, but a little higher than those produced in the East.

Finnish Central Bank Quotes Kroon Exchange Rate

93UN0503A Helsinki HELSINGIN SANOMAT
in Finnish 1 Dec 92 p B 7

[Unattributed article: "Finland's Bank To Begin Quoting Estonian Kroon Rate Today"]

[Text] Finland's Bank, as the first foreign central bank, will begin quoting the exchange rate of the Estonian kroon on its regular, daily publication of exchange rates on Tuesday. The Monday [30 November] statement of Finland's Bank cited favorable developments in trade and economic relations between the two countries as the reason behind the decision to quote the rate.

Finnish bank exchanges have for some time been quoting buying and selling rates for the Estonian kroon when that currency has been used in bank accounts. The financial pages of the Helsingin Sanomat, among others, publishes the quote by Kansallis-Osake Bank.

Finland's Bank does not conduct currency exchange business with the public using either the kroon or any other currency.

"During the last year Finland has become Estonia's most important trading partner. Between January and September Finland's share of Estonian exports was 355 million markkas, or 35 percent, while its share of imports is 626 million markkas, or 40 percent," said bank manager Esko Ollila in Tallinn on Monday when he was giving the reasons for initiating the quote.

Estonia's share of Finnish trade as a whole is less than 1 percent, which is about the same level as during World War II.

Finnish Firms Give Colleges Computers*93UN0503C Helsinki HELSINGIN SANOMAT
in Finnish 2 Dec 92 p 5*

[Unattributed article: "Finnish Firms Contributing Used Computers to Estonia"]

[Text] More than 10 Finnish firms are contributing about 20 used computers to the students of the universities of Tartu and Tallinn. The first two will be given away at the Industry 92 Show opening ceremony in Tallinn on Tuesday, and the rest of them will be given during December. The international organization of students with an interest in business studies, the AIESEC [International Association of Students in Economics and Commerce], will be responsible for collecting and transporting the contributions.

LATVIA**Environmental Damage At Military Bases****Ecological Survey Obstructed***93UN0586A Riga ELPA in Latvian No 27, 2 Dec 92
p 2*

[Article by Ilze Strodaha: "When Tenants Feel Like Landlords"]

[Text] Imagine that the unbelievable has just happened—after fifty years, the multiple-storied house your father or grandfather built has been return to you. You invest all of your efforts and resources into its proper maintenance. You are almost successful, but there is one obstacle in your way—tenants are occupying one of the floors, and are ignoring your efforts. They are polluting the area, throwing everything out of their windows, making noise at all hours of the day and night, soaking the downstairs neighbors with a liquid of an indeterminate nature; while smoke and a foul smell frequently emanates from their apartment.

Like a true member of your unassuming race, you attempt to behave in a tolerant manner—in the beginning, you ignore what is happening; later on, you have a subdued conversation with your undisciplined tenants. But even your patience has its limits. You invite over like-minded friends, and jointly decide to enter this part of your property in order to put an end to the disorder, and if necessary, demand payment for the damages you have sustained.

But—you remain standing outside the gate. You are not allowed to enter the most damaged part of your property, which your tenants, who have never even paid you rent, are occupying. It's as if you are the one begging at the landlord's door...

Such was the situation on November 5, at the gates of the Rembate and Lielvarde military airfields, in which A. Melzobs, Chairman of the Ogre Environmental Defense

Committee, and some inspectors found themselves, along with representatives of the local municipality and members of the official Latvian establishment, or Commission on Ecology, although there had been prior discussions with the army's leadership, and permission had been granted for such an action.

—Until November 9th, we are forming troop trains and transporting technical equipment back to Russia. We did not know that a commission was coming—said the Military Garrison Commander, Major Bardnov.—Without the presence of army representatives from Riga, we are not allowed to let anyone in.

A telephone call was made to the Garrison Chief, Colonel Jarovikov. Also he confirmed that there was no order given to allow the commission into the airfield territory.

The order disappeared somewhere, unexpressed, unwritten. Arriving in Riga, I called Lieutenant Colonel V. Romanenko, responsible for ecological matters of the North West Military Forces Group, the military person who, according to the agreement, was supposed to accompany the Commission on Ecology in the airfield territory. But comrade Romanenko had left town for ... Rembate airfield, and furthermore, for a few days.

Finally, however, our conversation took place, so overloaded with excess verbiage that it was difficult to focus in on the actual facts: it was not possible to enter, because this matter is "under a slightly different jurisdiction", and therefore, also, there was no order given for allowing entry to the airfield. (But was there an order given not to allow entry?)

In response to the question of when it will be possible to survey the ecological conditions in the airfield, I received this reply:

—In the near future. I will do everything so that we can get in.

In short, there is nothing to be added. It seems that we are all here already. It is irrelevant that each one is on his own side of the gate.

This is how the tenants start to feel like landlords. But what is the real landlord supposed to do?

High Cost of Restoration Analyzed*93UN0586B Riga ELPA in Latvian No 27, 2 Dec 92
p 2*

[Article by Dzidra Hadonina, Ecologist for the Control of the Withdrawal of Military Forces Under the Jurisdiction of the Russian Federation: "Thoughts on Taking Over the Army's Territories"]

In recent times, a great deal is being discussed and written (both objectively and non-objectively) in the press and other means of mass communication about the

presence of the Russian army in our country, its withdrawal, and the problems related to the latter. Not everyone is aware that a resolution by the Council of Ministers in June of 1992 created the Bureau for the Control of the Withdrawal of Military Forces Under the Jurisdiction of the Russian Federation. In its realm of duties, the bureau provides for the control of the withdrawal of military forces under the jurisdiction of the Russian Federation (referred to as the "military forces" from now on), as well as the coordination of activities related to this matter by the state government and municipal institutions.

I am the ecologist for this bureau, and therefore I would like to share with you my thoughts on this matter. One of the main functions of the bureau is also to work together with the Environmental Protection Committee in order to determine the damage done to the environment by the military force installations, and what measures can be taken to determine the amount of resources needed to alleviate this damage.

Ecological surveys are also being carried out during the inspection of the military force division complexes.

Sites being surveyed are in Dobeles, Daugavpils and Ventspils districts, Adazi, Riga (including the military plants), and the Baltic fleet base located in Daugavgrīve. With respect to the latter, an agreement has been reached concerning the nature preserve "Daugavgrīve" in the complex (located in the military forces territory), which is to be turned over to the Kurzeme district municipal government (164 hectares). In the next few days, the adoption—transfer act will be signed. Of course, there are territories in which the commission to survey the environmental conditions is not admitted. Such was the situation just recently, on November 5, at the Lielvarde airstrip.

For a long time, there was concern about the heavy equipment testing in the Lilaste military training and testing installation, which is located in the 300 meter shelter zone of the Gulf of Riga shoreline, in an approximately 30 meter wide and 5 kilometer long nature preserve territory. As of this September, these tests have been discontinued. The tests took place as follows: hydro-shells were shot from the direction of the dunes towards targets directly on the waterline. They are insisting that real shells were not used, although a thorough survey of the territory (including the water) will be needed when it is transferred.

Our major areas of concern are the military training and testing installations still being used by the military forces: the Pape installation in Liepāja district, the artillery installations in Dobeles and Adazi, the Zvarde installation in the Saldus and Dobeles districts. Before the installations can be taken over, it is necessary to remove the mines and inspect them. In no case should the residents be allowed to feel overconfident and enter the former military training and testing installation territories before safety measures are taken.

According to the observations made concerning the divisions of the military forces, it is obvious that in a great many cases the environmental protection legislation of the Republic of Latvia is not being respected. When transferring territory to the jurisdiction of the Republic of Latvia, a specific form for the adoption—transfer act should be drawn up, which is to be signed by both sides. Very often, the acts are drawn up in a non-qualitative manner, without the inclusion of estimates for the ecological and economic losses. If it is not possible to determine the extent of the losses immediately, the act should specify that these will be presented later on. If this is not done, then we, ourselves, in fact, are admitting that there were no losses. This should not be allowed.

The municipal commissions created for the takeover of army property should include environmental protection inspectors to estimate the ecological losses, and if necessary, to also invite additional appropriate specialists. We should not allow ourselves to be taken in by the often heard viewpoint, that "it is better for the army to leave quickly, and we will be able to manage somehow ourselves". In international discussions, we should be ready to defend our standpoint with evidence and substantiated figures.

There is another thing, in my opinion, that merits consideration. When touring the Baltic Sea shoreline zone in the Ventspils district, where the border guard positions of the military forces have been taken over by Latvian border guards in the majority of cases, concern has been raised by something else: are we going to find, after a while, that the legislation on environmental protection is not being respected in the sites reoccupied by the Latvian army? Such concerns have also been raised in other districts. In this case, it would be necessary for the Ministry of Defense, itself, to provide the necessary ecological education and explanation of the legislation regarding environmental protection. Yet, as I learned, a staffed unit to deal with questions on environmental protection has not been envisioned for this ministry...

In ending, I would like to give some examples of the territories surveyed and evaluated. This process is quite labor-intensive and expensive, and that is why estimates of ecological damage have only been made for a few sites. At present, the only site where ecological evaluations have been performed for all aspects is in Suzos (Riga district), in a small town (30 hectares) evacuated by the relocated military forces and the installation for training vehicle drivers (83.3 hectares). To determine the pollution of the underground water, the geological survey alone (drilling, analysis) cost 180,000 rubles. At this site, the combined environmental damages (soil and underground water pollution, recultivation, renewal of forest plantings) cost 4.62 million rubles.

If we calculate that in the Republic there are approximately 1,000 sites from which divisions of the military forces of the Russian Federation are removed, we can see

what sort of losses are sustained (naturally, we have to make separate calculations for the large military training and testing installations, and other equally polluted sites). Therefore, I once again stress how important it is to evaluate the losses from all aspects.

Until there is an agreement between the Latvian and Russian sides on the method used to calculate the ecological damage caused by the military forces (this is being worked out by a working group of experts from both sides), we are using the ecological damage determination and estimation procedures accepted by the October 30, 1992, order No. 44 of the Environmental Protection Committee.

Activities of Home, Border Guards Detailed

93UNO421A Riga TEVIJAS SARGS in Latvian No 5, Oct 92 p 3

[Volunteer national Guard and border guard chronicle]

[Text]

Volunteer national guard chronicle

09/14. Around 10 p.m. somebody attacked a volunteer national guard on Slokas Street and stole his bag with documents.

09/16. Near Daugavpils thermoelectric power Plant, S., a Polotsk resident, and Z., an Ogre resident, were detained with 50 kg and 100 kg of potatoes respectively. The detained confessed that they had dug the potatoes in a garden belonging to somebody else in Demene Pagasts.

09/19. In Daugavpils, a theft of 40 kg of bronze bearings from the "Lokomotiv" enterprise was prevented. The teenagers who were trying to steal the bearings ran away.

09/19. In Ventspils, a large-scale operation was carried out with the participation of police, volunteer national guards, and border guards. During this operation, near high school No 6, while trying to detain suspicious persons, national guard C. fired 4 times in the air from AK and one of the frontier guards fired 6 AK shots (at that time not directly up in the air but a little lower). At the bus station located nearby, a young girl was wounded in the thigh. The wound was the size of a fist. The girl was rushed to the hospital, and both guns were taken for expert evaluation.

09/23. At the Rucava checkpoint, 7 foreigners from southern countries, suspected of being spies, were arrested by Kuldiga police and border guards of the Liepaja battalion. A gas gun was found.

From 10 p.m. 09/25 till 7 a.m. 09/26, an operation took place with participation of 270 volunteer national guards and police. Two cases of the use of weapons. There were no victims.

09/26. Two WWII mortar charges were found in Ligatne Pagasts. Information was sent to the Civil Defense headquarters.

09/30. at 1:25 a.m., men from the defense company of the Republican National guard staff extinguished a fire in a newspaper kiosk on Kalnciema Street at the trolley bus stop "Daugavgriva".

10/01. at 11:25 p.m., two VAZ cars, driving off the Suspension bridge, passed the Volunteer National guard headquarters and fired shots. The police were notified.

10/07. At night, volunteer national guards from the 53rd battalion detained poachers. A killed deer was confiscated as was a combat carbine with cartridges.

10/10. At 10:05 a.m. there was a call from a person on duty at the Customs Department: "I need help; somebody is breaking into the office of the Customs Department director". At 10:07 a.m., this information was given to the Special Task Unit ("SUV"). They went to the scene. At 10:37 a.m. a message was received that everything is OK in the Customs Department. At 10:38 there was a call from the Customs Department that the person on duty mistook construction workers for burglars.

1/13. Suspicious persons (who could be thieves) were noticed in drying-room of the "Rucava" share company. Volunteer guards from the 53rd Bauska battalion took care of the security of the drying-room. When it became dark, two persons drove to the drying-room and started to put electric motors which were partially disassembled earlier, in their truck. Both subjects caught red-handed were put on the ground by two guards. One guard remained with them and the other went to call the police. During the absence of the second guard, one of the infringers attacked the guard despite two warning shots; as a result, a fight began and one infringer was mortally wounded. The second infringer was arrested. Bauska Rayon Prosecutor's office is conducting the investigation.

10/16 around 10 p.m., in Riga in the area of "Teika", a volunteer guard from the 12th battalion killed a traffic violator who was trying to run away. The case is being handed over to the Prosecutor's office.

Border guard chronicle.

On September 9, border guards from the Liepaja battalion detained 3 trespassers who were trying to escape in a car but drove into a ditch. A hand grenade was confiscated. Three thousand packs of cigarettes were found in the car.

On September 16, at the Ludza checkpoint in Zilupe, four CIS soldiers with unwrapped AKSU submachine guns were encountered in the Moscow - Riga train. They said that they had accompanied cargo to Russia and now were going to Riga to return to their unit in Estonia. Our border guards wanted to confiscate the weapons because

the submachine guns at least needed to be in cases, but the CIS soldiers threatened to shoot.

On September 18, at 9:20 p.m., there was a message from the water police that an explosion was expected in an hour in the Riga commercial port. After emergency measures it was found that there would be no explosion.

On September 19, at 2:50 a.m. a local resident N., who was trying to steal weapons, was detained at the Kolka cordon. While detaining, the guards shot in the air.

On September 20, border guards took over from CIS the Perkone and Pope cordons.

On September 26, at 2:35 p.m., a group of Iraqi citizens tried to fly to Stockholm on the flight Riga - Stockholm. The trespassers were detained and two were arrested. Already at 4:15, the same Iraqis were trying to reach their target by bribing someone at the port. The ship to Sweden left without them. Europe could breathe freely but the failures threatened in broken Russian to get even.

At Zilupe station, Ludza border guards, while checking the Moscow - Riga train, found passenger V. to have a passport issued to the name of a Chinese Van Huan Ven. The finding was sent to the Foreign Ministry.

On October 2, at 6:56 p.m., a message was received from Copenhagen that terrorist Kangers Kasams was on a flight to Riga. There was nobody registered under this name at the border checkpoint of Riga airport.

On October 2, two Iraqi citizens were detained at the border checkpoint of Riga airport. The Iraqis were trying to fly to Stockholm with false passports.

On October 3, mushroom picker K. tried to go to Lithuania by a car, bypassing customs. After the soldier shot in the air, the trespasser stopped his car.

On October 14, unknown persons tried to steal a "Latvija" minivan and Zil-131 from the Seliya battalion headquarters. One of them was caught and handed over to the police.

On October 14, seventeen Iraqi and four Iranian citizens were put off the train Moscow - Riga in Zilupe. All of them were Kurds. They said that they were refugees and wanted to go to Switzerland or Bulgaria. They did not have proper documents and therefore were sent back to Russia.

On October 16, at the border checkpoint Aizgarsha, a truck was detained which was illegally transporting 31 electric ranges from Russia.

LITHUANIA

Slow Progress in Privatization for Hard Currency

93UN0663A Vilnius LETUVOS RITAS in Russian
31 Dec 92 p 1

[BNS report: "Privatization for Hard Currency Shifted to 1993"]

[Text] Only nine properties were sold for hard currency at auctions in four months of 1992. Some 114 such properties were on the list adopted a year ago by the Supreme Council. The sale of "hard currency" properties started in Lithuania at the end of August.

The "Meguva" Hotel in Kretinga was sold for more than the others—yielding 420,000 U. S. dollars. The others were sold at a lower price. The Vilnius "Everything for Apartment Repair" Store, for instance, went for 150,000 at auction, the Panevezys State Trade Enterprise was sold for 53,000 and the consumer services pavilion at Grigiskes—for 21,000 dollars. The state budget received 830,000 dollars as a result of the privatization of nine properties.

All of the facilities were acquired by citizens of Lithuania with the exception of two which went to joint venture firms. Thus far it has been impossible to sell around 80 smaller properties.

According to S. Cepas, head of the Department of Privatization of the Ministry of Economy, the reason for that is the excessively high initial price, and in addition to that the properties also have not been selected in the best possible manner. The officials believe that it is hardly possible to count on any interest among buyers unless prices are lowered.

"Major privatization" will start in Lithuania at the end of January for freely convertible currency. A bidding competition has already been announced for the sale of a controlling package of shares of the Klaipeda Tobacco Factory (55 percent). Such competitive bidding will be announced for the Vilnius "Audejas" Enterprise and the "Kilimai" Joint-Stock Company. Sixteen foreign firms showed an interest in the Klaipeda factory, seven of which have already acquired a package of documents. At present the investor firms are preparing their bids.

In addition to the indicated enterprises in the first quarter of 1993 it is planned to announce the privatization of the Kaunas Confectionery Factory, the Utena "Trikotazas," the state "Lietuva" Tourist Society, the Panevezys "Linas" Firm and the Vilnius "Vilija" Knitwear Firm. In the course of the first three months of the New Year it is planned to sell a total of 12 large enterprises for hard currency.

The Central Privatization Commission decided not to publicize the initial price of the package of shares.

There is every reason to believe, however, that thanks to the sale of the first large enterprises the state budget will receive tens of millions of dollars.

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12 February 1993